

DEPARTMENT OF THE TREASURY

WASHINGTON, D.C.

SECRETARY OF THE TREASURY

May 4, 2010

The President
The White House
Washington, DC 20500

Dear Mr. President:

Through this letter, I am pleased to provide the Department of the Treasury's annual report of compliance with Executive Order 13019 – Supporting Families: Collecting Delinquent Child Support Obligations. In fiscal year 2009, Treasury continued to collect substantial amounts of delinquent child support debts through its Treasury Offset Program (TOP).

TOP collects delinquent child support debts by intercepting federal payments, a process known as "offset." Treasury has been offsetting federal income tax refunds to collect delinquent child support debts since the early 1980s. A key objective of the Executive Order, issued on September 28, 1996, is to collect delinquent child support obligations through the offset of non-tax federal payments. Treasury and the Department of Health and Human Services work jointly and with states and territories to further this goal.

In fiscal year 2009, Treasury collected approximately \$2.19 billion in delinquent child support debts through offset. Of this amount, \$2.05 billion was collected from tax refund payments, including \$30.1 million from the 2008 economic stimulus payments, and \$115.1 million from offsets of federal non-tax payments, including \$109.4 million from the 2009 economic recovery payments. Since the issuance of Executive Order 13019, more than \$22 billion has been collected through TOP from more than 22.8 million offsets to assist in the collection of past-due support owed to children and families.

Treasury remains strongly committed to collecting delinquent child support obligations through the use of offset of both federal tax refunds and non-tax payments. We will continue to support the important goal of carrying out the provisions of Executive Order 13019.

Sincerely,

Timothy F. Geithner

cc: The Honorable Kathleen Sebelius