

OFFICE OF THE ATTORNEY GENERAL
Department of Law
Department of Child Support Services
(Amendment)

40 KAR 11:010. Department of Child Support Services~~[Enforcement Program]~~: confidentiality, program administration contracts, and agreements.

RELATES TO: KRS Chapter 45A, 69.210, 205.175, 205.177, 15.800~~[205.710]~~, 15.802~~[205.712]~~, 15.814~~[205.730]~~, 15.818~~[205.735]~~, 15.836(2)~~[205.7685]~~, 15.844(4)~~[205.772]~~, 15.846~~[205.774]~~, 15.848~~[205.776]~~, 15.874~~[205.800]~~, 205.990(1), (2), (4), (6), 403.211, 405.430(9), (13), 406.021(1), 406.035, 434.845, 45 C.F.R. 302.34, 303.21, 303.70(e)(3), 303.107, 304, 307.13, ~~[406.021(1)]~~, 26 U.S.C. 6103(a), (b), 7213(a)(2), 31 U.S.C. 7502, 42 U.S.C. 651, 654(7), (26), 666(a)(17), (c)(1)(D)

STATUTORY AUTHORITY: KRS 15.802(2)~~[194A.050(1)]~~, 405.520, 42 U.S.C. 654(26)

CERTIFICATION STATEMENT: This is to certify that this administrative regulation complies with the requirements of 2025 RS HB 6, Section 8.

NECESSITY, FUNCTION, AND CONFORMITY: KRS 15.800 to 15.876~~[405.520]~~ authorizes the Office of the Attorney General (OAG), Department of Child support Services (DCSS) within the Department of Law~~[cabinet]~~ to promulgate administrative regulations to administer~~[implement]~~ the Child Support Enforcement (CSE) program in accordance with federal law and regulations. This administrative regulation establishes the procedures for safeguarding information and entering into program administration contracts and cooperative agreements.

~~[Section 1.] [Definition. "CSEP" means the Child Support Enforcement Program.]~~

Section 1. ~~[Section 2.]~~ Safeguarding Information.

(1) Use or disclosure of information obtained exclusively for DCSS~~[the CSEP]~~ shall be restricted from release to any party except the appropriate party or entity pursuant to KRS 205.175, 15.814~~[205.730]~~, 15.818~~[205.735]~~, 15.836(2)~~[205.7685 — (2)]~~, 15.844(4)~~[205.772(4)]~~, and 15.848~~[205.776]~~, 45 C.F.R. 303.70(e)(3) and 302.34, 26 U.S.C. 6103(a), (b), 7213(a)(2), and 42 U.S.C. 654(26).

(2) Unless an applicant for or recipient of child support services has given informed consent, information concerning the applicant or recipient of child support services shall only be released in accordance with KRS 205.177.

Section 2. ~~[Section 3.]~~ Program Administration Contract.

(1) A program administration contract initiated by DCSS~~[the cabinet]~~ with another government entity shall comply with KRS Chapter 45A and shall:

- (a) Contain a clear description of specific duties, functions, and responsibilities of the parties in administration of the CSE program~~[CSEP]~~;
- (b) Specify clear and definite terms and requirements of the contract;
- (c) Specify financial reimbursement arrangements including:
 1. Budget estimates;
 2. Covered expenditures;
 3. Methods of determining costs; and
 4. Billing procedures for DCSS~~[the Child Support agency]~~;
- (d) Specify record maintenance and format requirements;
- (e) Contain reporting requirements;
- (f) Contain the requirements for compliance with 31 U.S.C. 7502;
- (g) Provide the beginning and end dates of the program administration contract, review or renewal provisions, and termination circumstances; and

- (h) Provide audit criteria.
- (2) If another government entity contracts with DCSS~~[the cabinet]~~, reimbursement for child support activities shall be provided when billing is submitted in accordance with procedures:
 - (a) Established by DCSS~~[the cabinet]~~; and
 - (b) Specified in the contract.
- (3) The contracted government entity shall provide ~~[to the cabinet]~~ statistical information concerning child support related~~[CSEP]~~ activities as established by DCSS~~[the cabinet]~~ and specified in the contract to DCSS.
- (4) If no contract is executed with a local law enforcement official, a referral for child support related activities may be made to a local law enforcement official. A referral for child support related activities made to a local law enforcement official shall be in accordance with the official's statutory obligations as established by KRS 69.210, 15.802(7)~~[205.712(7)]~~, and 406.021(1), but the official shall not be eligible for reimbursement as established in subsection (2) of this section.

Section 3. ~~[Section 4.]~~ An Agreement with a Financial Institution.

- (1) DCSS ~~[The cabinet]~~ shall enter into an agreement with a financial institution pursuant to KRS 15.802(14)~~[205.712(15)]~~, 15.844~~[205.772]~~, and 15.846~~[205.774]~~ to conduct a financial data match.
- (2) DCSS ~~[The cabinet]~~ or its agent shall implement the data exchange and shall have access to identifying information:
 - (a) For an obligor~~[obligated parent]~~ who owes an arrearage and who DCSS~~[the cabinet]~~ has identified to a financial institution through a data match for the purpose of monitoring and auditing; and
 - (b) Available to a financial institution if deemed necessary by DCSS~~[the cabinet]~~ to provide service to a recipient of child support services.
- (3) DCSS ~~[The cabinet]~~ shall pay a financial institution a fee not to exceed \$250 per fiscal year quarter, or the actual cost to the financial institution for operating the data match, whichever is less.
- (4) A financial institution shall:
 - (a) Exchange information by way of an automated data exchange system;
 - (b) Maintain security to assure that information received from DCSS~~[the cabinet]~~ or its agent concerning a recipient of child support services shall:
 - 1. Be maintained and safeguarded as confidential; and
 - 2. Not be copied or given to any other entity without the written permission of DCSS~~[the cabinet]~~ or the recipient of child support services; and
 - (c) Incur no liability for:
 - 1. Disclosing a financial record to DCSS or its authorized agent~~[the cabinet]~~ for the establishment, modification, or enforcement of a child support obligation of the account holder;
 - 2. Encumbering or surrendering an asset held by a financial institution in response to an order to withhold or order to deliver issued by DCSS~~[the cabinet]~~, or any other action taken by a financial institution in good faith; or
 - 3. Providing a file to DCSS~~[the cabinet]~~ or its authorized agent in accordance with an approved format as established by the Multistate Financial Institution Data Match Specifications Handbook.
- (5) If a financial data match occurs, a financial institution shall:
 - (a) Hold, encumber, or surrender an account to DCSS~~[the cabinet]~~ upon receipt of an order to withhold or order to deliver;
 - (b) Address and send to DCSS~~[the cabinet]~~ or its authorized agent~~[as designated]~~, notices, paperwork, or other communication resulting from a financial institution data

match program; and

(c) Submit data files to DCSS[the cabinet] or its authorized agent~~[as designated]~~.

(6) The match of an account holder to a delinquent obligor record provided by DCSS[the cabinet] does not constitute a levy, and an account shall not be held, encumbered, or surrendered to DCSS[the cabinet] without a financial institution having received an order to withhold or order to deliver from DCSS[the cabinet].

(7) The information provided to DCSS[the cabinet] on a quarterly basis by a financial institution shall be provided in the format established by the Multistate Financial Institution Data Match Specifications Handbook using either method one or method two outlined therein.

(a) If a financial institution agrees to provide the information according to method one, the financial institution shall:

1. Submit data files of open accounts to DCSS or DCSS's authorized agent by March 31, June 30, September 30, and December 31 of a calendar year~~[, data files of open accounts to the cabinet, or the cabinet's authorized agent, for the data match]~~; and
2. Report information requested by DCSS[the cabinet] or DCSS's[the cabinet's] authorized agent on any account maintained by a financial institution.

(b) If a financial institution agrees to provide the information according to method two, the financial institution shall:

1. Request DCSS[the cabinet] or DCSS's[its] authorized agent to send the inquiry file to the financial institution or its agent;
2. Match the inquiry file of obligors identified and provided by DCSS[the cabinet], or by DCSS's[the cabinet's] authorized agent, against open accounts maintained by a financial institution; and
3. Submit a report of matched accounts to DCSS[the cabinet] or DCSS's[its] authorized agent within thirty (30) to forty-five (45) days of receipt of the inquiry file.

Section 4. [Section 5.] Incorporation by Reference.

(1) "Multistate Financial Institution Data Match Specifications Handbook", edition 12/2020, is incorporated by reference.

(2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at DCSS[the Department for Income Support, Child Support Enforcement], 730 Schenkel Lane, Frankfort, Kentucky 40601, Monday through Friday, 8 a.m. to 4:30 p.m. This material may also be viewed on the department's Web site at <https://ag.ky.gov/Resources/Child-Support/Pages/default.aspx>.
~~<https://chfs.ky.gov/agencies/dis/Pages/regs.aspx>~~

40 KAR 11:010

AMY C. BURKE, DCSS Chief

RUSSELL M. COLEMAN, Attorney General

APPROVED BY AGENCY: September 28, 2026

FILED WITH LRC: October 12, 2026 at 11:20 a.m.

PUBLIC HEARING AND COMMENT PERIOD: A public hearing on this administrative regulation shall be held on December 23, 2026, at 9:00 a.m. at the Office of Administrative Hearings, 105 Sea Hero Road, Suite 2, Frankfort, Kentucky 40601. Individuals interested in attending this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend was received by that date, the hearing may be cancelled. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on this proposed

administrative regulation. Written comments shall be accepted through December 30, 2026. Send written notification of intent to attend the public hearing or written comments on the proposed administrative regulation to the contact person.

CONTACT PERSON: Stacy Byrns Taulbee, General Counsel, Department of Child Support Services, 730 Schenkel Drive, Frankfort, Kentucky 40601; Phone (502) 229-2088; email: stacy.byrnstaulbee@ky.gov

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Contact Person: Stacy Byrns Taulbee, **Phone Number:** (502) 229-2088, **Email:** stacy.byrnstaulbee@ky.gov

Subject Headings: Child Support; Attorney General; Children and Minors

(1) Provide a brief summary of:

(a) What this administrative regulation does:

This administrative regulation transfers the responsibility for establishing procedures for safeguarding information and entering into program administration contracts and cooperative agreements from the Cabinet for Health and Family Services (CHFS) to the Office of the Attorney General (OAG), pursuant to Senate Bill 48 of the 2023 RS.

(b) The necessity of this administrative regulation:

This administrative regulation is necessary to outline the requirements of safeguarding information, the program administration contract, and agreement with a financial institution in accordance with 45 C.F.R. 302.34, 303.21, 303.70(e)(3), 303.107, 304, 307.13, 26 U.S.C. 6103(a), (b), 7213(a)(2), 31, U.S.C. 7502, and 42 U.S.C. 651, 654(7), (26), 666(a)(17), (c)(1)(D).

(c) How this administrative regulation conforms to the content of the authorizing statutes:

DCSS is required to apply for federal funds per 42 U.S.C 651 and to establish the requirements for safeguarding per 42 U.S.C. 666, KRS 205.175 and 205.990

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes:

This administrative regulation will assist with outlining the safeguards, the program administration contract, and the agreement with a financial institution.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation:

The amendment to this administrative regulation removes the Cabinet for Health and Family Services and the Department for Income Support as the entities responsible for promulgating administrative regulations for the Department of Child Support Services. It also updates statutory and regulatory citations to conform with Senate Bill 48 of the 2023 RS.

(b) The necessity of the amendment to this administrative regulation:

The amendment to this administrative regulation is necessary to conform with the transfer of the Child Support Enforcement Program to the Department of Child Support Services within the Department of Law and outline the requirements of safeguarding information, the program administration contract, and the agreement with a financial institution.

(c) How the amendment conforms to the content of the authorizing statutes:

DCSS is required to apply for federal funds and to establish the requirements of safeguarding information per 42 U.S.C. 651, 666, KRS 205.175 and 205.990.

(d) How the amendment will assist in the effective administration of the statutes:

The amendment to this regulation will assist with outlining the safeguards, the program administration contract, and the agreement with a financial institution.

(3) Does this administrative regulation or amendment implement legislation from the previous five years?The amendment implements legislation from Senate Bill 48 of the 2023 RS.

(4) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation:

1. Administrative Office of the Courts – 868 employees, 113 district judges, 97 circuit judges, 61 family court judges 2. Private attorneys – 19,581 3. Child support attorneys and staff – 725 4. Participants in the child support program – 601,231

(5) Provide an analysis of how the entities identified in question (4) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions that each of the regulated entities identified in question (4) will have to take to comply with this administrative regulation or amendment:

Each regulated entity will be informed that the Office of the Attorney General (OAG) is now the entity responsible for promulgating administrative regulations for the Department of Child Support Services. They will also be advised of the updated statutory and regulatory citations and provided with guidance on where to access this information. No action is required from child support participants. Financial institutions are already participating in the Financial Institution Data Match (FIDM), and no further steps are necessary.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (4):

The amendment to this administrative regulation will create no new or additional costs to regulated entities.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (4):

The amendment to this regulation will not accrue benefits to regulated entities.

(6) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially:

There will be no initial costs to the administrative body to implement this administrative regulation.

(b) On a continuing basis:

There will be no costs to the administrative body on a continuing basis.

(7) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation or this amendment:

The sources of funding include state General Funds and Federal Funds under 42 U.S.C. 651.

(8) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment:

There will be no increase in fees or funding to implement amendment to this administrative regulation.

(9) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees:

This administrative regulation does establish any fees or directly or indirectly increase any fees.

(10) TIERING: Is tiering applied?

Tiering is not applicable as compliance with this administrative regulation applies equally to all individuals or entities.

FISCAL IMPACT STATEMENT

(1) Identify each state statute, federal statute, or federal regulation that requires or authorizes the action taken by the administrative regulation:

Chapter 45A, 69.210, 205.175, 205.177, 15.800, 15.802, 15.814, 15.818, 15.836(2), 15.844(4), 15.846, 15.848, 15.874, 205.990(1), (2), (4), (6), 403.211, 405.430(9), (13), 406.021(1), 406.035, 434.845, 45, C.F.R. 302.34, 303.21, 303.70(e)(3), 303.107, 304, 307.13, 26 U.S.C. 6103(a), (b), 7213(a)(2), 31 U.S.C. 7502, 42 U.S.C. 651, 654(7), (26), 666(a)(17), (c)(1)(D)

(2) State whether this administrative regulation is expressly authorized by an act of the General Assembly, and if so, identify the act:

This administrative regulation is expressly authorized by 2023 Ky Acts Ch. 124.

(3)(a) Identify the promulgating agency and any other affected state units, parts, or divisions:

Office of the Attorney General, Department of Law, Department of Child Support Services

(b) Estimate the following for each affected state unit, part, or division identified in (3)(a):

1. Expenditures:

For the first year:N/A

For subsequent years:N/A

2. Revenues:

For the first year:N/A

For subsequent years:N/A

3. Cost Savings:

For the first year:N/A

For subsequent years:N/A

(4)(a) Identify affected local entities (for example: cities, counties, fire departments, school districts):

Local entities will not be affected. (b) Estimate the following for the first year:

(b) Estimate the following for each affected local entity identified in (4)(a):

1. Expenditures:

For the first year:N/A

For subsequent years:N/A

2. Revenues:

For the first year:N/A

For subsequent years:N/A

3. Cost Savings:

For the first year:N/A

For subsequent years:N/A

(5)(a) Identify any affected regulated entities not listed in (3)(a) or (4)(a):

Administrative Office of the Courts, private attorneys, DCSS attorneys and staff, new and existing child support program participants.

(b) Estimate the following for each regulated entity identified in (5)(a):

1. Expenditures:

For the first year:N/A

For subsequent years:N/A

2. Revenues:

For the first year:N/A

For subsequent years:N/A

3. Cost Savings:

For the first year:N/A

For subsequent years:N/A (6) Provide a narrative to explain the following for each identified in (3)(a), (4)(a), and (5)(a):

(6) Provide a narrative to explain the following for each entity identified in (3)(a), (4)(a), and (5)(a)

(a) Fiscal impact of this administrative regulation:

There is no fiscal impact of this administrative regulation.

(b) Methodology and resources used to reach this conclusion:

N/A

(7) Explain, as it relates to the entities identified in (3)(a), (4)(a), and (5)(a):

(a) Whether this administrative regulation will have a "major economic impact", as defined by KRS 13A.010(14):

N/A

(b) The methodology and resources used to reach this conclusion:

N/A

FEDERAL MANDATE ANALYSIS COMPARISON

(1) Federal statute or regulation constituting the federal mandate.

45, C.F.R. 302.34, 303.21, 303.70(e)(3), 303.107, 304, 307.13, 26 U.S.C. 6103(a), (b), 7213(a)(2)

(2) State compliance standards.

Chapter 45A, 69.210, 205.175, 205.177, 15.800, 15.802, 15.814, 15.818, 15.836(2), 15.844(4), 15.846, 15.848, 15.874, 205.990(1), (2), (4), (6), 403.211, 406.021(1), 405.430(9), (13), 406.021(1), 406.035, 434.845

(3) Minimum or uniform standards contained in the federal mandate.

26 U.S.C. 6103(a), (b), 7213(a)(2), 31 U.S.C. 7502, 42 U.S.C. 651, 654(7), (26), 666(a)(17), (c)(1)(D)

(4) Will this administrative regulation impose stricter requirements, or additional or different responsibilities or requirements, than those required by the federal mandate?

This administrative regulation will not impose stricter requirements, or additional or different responsibilities or requirements, than those required by the federal mandate.

(5) Justification for the imposition of the stricter standard, or additional or different responsibilities or requirements.

This administrative regulation will not impose stricter requirements, or additional or different responsibilities or requirements, than those required by the federal mandate.