

# Department of Revenue

CHILD SUPPORT SERVICES DIVISION

Please Reply To:

550 W. 7th Avenue, Suite 310 Anchorage, Alaska 99510-6699

Representative Bob Lynn Chair, House State Affairs Committee State Capitol, Room 108 Juneau, AK 99801 February 25, 2015

Re:

Uniform Interstate Family Support Act 2008 Amendments

**HB 106** 

Dear Chair Lynn and Committee Members:

During the House State Affairs committee hearing on February 20, the committee raised several questions about HB 106, the bill to amend Alaska's Uniform Interstate Family Support Act (UIFSA). This bill updates Alaska's UIFSA with the 2008 amendments by the Uniform Law Commission and focuses on enforcement of child support orders in international cases. Passage of the bill is vital for Alaska's children.

The committee inquired about the following areas:

# 1. How many international cases is the Child Support Services Division (CSSD) enforcing?

About 33% of CSSD's caseload is comprised of "intergovernmental" cases, i.e. cases with another state, jurisdiction, or foreign country. About 300 cases have one parent living in a foreign country with approximately 42% with foreign support orders, based on statistical sampling.

Nationwide, the federal Office of Child Support Enforcement (OCSE) estimates there are 150,000 pre-Convention cases with 26 reciprocating countries. Post-ratification of the Convention, OCSE estimates there will be 288,000 cases with 48 foreign Convention countries and expect that number to grow as more countries ratify the Convention.

## 2. Is there an example of an international case that this bill would help?

Example 1: Implementation of UIFSA 2008 and ratification of the Convention will save translation costs and delay for CSSD. CSSD recently had a foreign order and had to pay \$500 to translate the order. If the request for enforcement had been from a Convention country and UIFSA 2008 was in place, the foreign country would have been required to provide the English translation.

Example 2: In another case, a support modification was delayed two years due to jurisdiction disputes that UFISA 2008 and the Convention would eliminate. Alaska issued a child support order and both parents left Alaska. The custodial parent and child moved to Japan and the non-custodial parent moved to Italy, although he claimed Virginia residency. The custodial parent requested a modification of the support order. UIFSA requires the modification to be completed by the non-requesting parent's state/country. Virginia would not modify the order because the non-custodial parent did not physically reside in its state. Italy would not modify the order. Ultimately, Alaska modified the order because neither Virginia nor Italy would, but this jurisdictional dispute resulted in a two-year delay in modifying the order.

## 3. Why does Alaska need to amend its UIFSA?

Amendment of Alaska's UIFSA is necessary for the United States to implement the Hague Convention on the International Recovery of Child Support and Other Forms of Family Maintenance (Convention). It is also necessary to ensure the continued federal funding of Alaska's CSSD. CSSD is 66% federally funded and receives about \$19 million in federal funds to operate its program. The federal IV-D block grant for Temporary Assistance to Needy Families (TANF), about \$45 million, could also be at risk. *See* Uniform Law Commission commentary UIFSA 2008, p. 97-98, Exhibit 1; *See* also US Senate Report 113-137, Calendar No. 279, p. 40-44, Exhibit 2.

#### 4. What are the terms of the Convention?

The Convention provides a structure for enforcement and modification of child and spousal support orders among the ratifying and acceding countries. A copy of the Convention is attached as Exhibit 3.

# 5. What countries have signed the Convention?

Thirty-three countries, including the United States, have signed or approved the Convention. *See* Status Table attached as Exhibit 4.

#### 6. Did Mexico and Central America sign the Convention?

South American countries participated in the Convention negotiations. A country cannot ratify the Convention until it has implementing legislation in place. This ensures the country can actually

provide the child support services that the Convention requires. According to the federal Office of Child Support Enforcement, a number of South American countries are working toward that goal.

# 7. How does Alaska enforce orders from foreign counties that have not acceded or ratified the Convention?

Currently, registration and enforcement of a child support order issued by a foreign country is registered under AS 25.25.601-614 like orders from other states. This is because the current definition of "state" can include a foreign jurisdiction that has law substantially similar to our UIFSA law. House Bill 106 adds a new definition for "foreign country." The new article 7 addressing foreign child support orders from Convention countries will provide more efficient and effective methods for registering, enforcing and modifying child support orders from these foreign countries. For example, the foreign country must provide an English translation of the order. Also, the bill provides when Alaska can modify a foreign child support order. See Uniform Law Commission commentary, UIFSA 2008, p. 96, Exhibit 1.

# 8. What is the Congressional support for the Convention? Is it likely Congress will ratify the Convention?

Congress ratified the Convention in 2010. On September 29, 2010, the US Senate approved the Resolution of Advice and Consent regarding the Convention. Congress then passed the Preventing Sex Trafficking and Strengthening Families Act of 2014 requiring states to enact implementing legislation. This Congressional action requires Alaska to amend its UIFSA with the 2008 version and prompted introduction of HB106. Until all 50 states adopt UIFSA 2008, the President cannot complete the final steps to ratify the treaty and deposit the instruments of ratification with the Ministry of Foreign Affairs of the Kingdom of the Netherlands, the depositary of the Convention. *See* State Department press releases, Exhibit 5; *See* US Senate Report 113-137, Calendar No. 279, excerpt pp 40-44, Exhibit 2.

# 9. Where is the legal requirement for states to adopt UIFSA 2008?

42 USC 666(f) as amended by PL 113-183

Attached is the Preventing Sex Trafficking and Strengthening Families Act of 2014 (Exhibit 6) and 42 USC 666(f) (Exhibit 7); See also US Senate Report 113-137, Calendar No. 279, excerpt p. 44, Exhibit 2.

#### 10. What is the amount of federal funds at risk?

About \$19 million for CSSD, and possibly \$45 million for the federal IV-D block grant for Temporary Assistance to Needy Families (TANF).

CSSD is a federally-approved child support program, qualifying for 66% federal funds with a 34% state match. CSSD received about \$19 million in federal funds in FY2014. Alaska also received about \$45 million for the federal IV-D block grant for TANF.

#### 11. What is the level of federal child support program funding at the local and national level?

\$19 million for Alaska's Child Support Services Division; \$5.7 billion nation-wide.

### 12. Where does it require Alaska to adopt UIFSA 2008 verbatim?

42 USC 666(f) as amended by PL 113-183 (Exhibits 3 and 4); *See also* US Senate Report 113-137, Calendar No. 279, p. 44, Exhibit 2.

We are working closely with the regional federal Office of Child Support Enforcement to ensure the bill wording is in compliance. The verbatim requirement ensures consistency among all the states and ensures all states have the necessary language to implement the Convention. We have reviewed the UIFSA 2008 amendments and are comfortable that the changes are limited and do not have any adverse effect on Alaskan interests.

### 13. What it the time deadline for states to adopt UIFSA 2008?

July 1, 2015 for Alaska.

Section 301(f)(3)(A) of PL 113-183 requires that UIFSA 2008 must be in effect in every state "no later than the effective date of laws enacted by the legislature of the State implementing such paragraph, but in no event later than the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act." See Exhibit 6.

## 14. What happens if one state does not enact UIFSA 2008?

The state risks loss of its federal child support funding and the United States may not be able to ratify the Convention. However, based on past history, it is highly likely that every state will adopt UIFSA 2008 by the deadline. In the 1990's, Congress required all states to adopt UIFSA 1996 and all states adopted it by 1998.

Currently, 12 states have enacted UIFSA 2008, 19 states (including Alaska) have introduced legislation, and the remaining states are in the bill drafting stage.

# 15. When does the new Article 7, addressing international child support orders from Convention countries, take effect?

Article 7 takes effect when the United States ratifies the Convention and deposits its instruments of ratification with the Ministry of Foreign Affairs of the Kingdom of the Netherlands, the depositary of the Convention. *See* Uniform Law Commission Introductory Comment, UIFSA 2008, Article 7, pp 97-98, Exhibit 1.

Sincerely,

DEPARTMENT OF REVENUE
CHILD SUPPORT SERVICES DIVISION

By: MM Boc

Carol Beecher

Director

CRAIG W. RICHARDS ATTORNEY GENERAL

By: Stacy Steinberg
Stacy K. Steinberg

Chief Assistant Attorney General

#### **Enclosures:**

Exhibit 1- Uniform Law Commission Commentary, UIFSA 2008 (Excerpt pp 96-98)

Exhibit 2- US Senate Report 113-137, Calendar No. 279 (Excerpt pp 40-54)

**Exhibit 3-Convention** 

Exhibit 4-Status Table

Exhibit 5-US State Department Press Releases

Exhibit 6-PL 113-183 (Excerpt)

Exhibit 7-42 USC 666