

SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 339

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVES HODGINS, Cowdery, Dyson, Green, James, Kott, Ogan, Ryan, Sanders, Vezey, Austerman, Kohring

Introduced: 3/18/98

Referred: Health, Education and Social Services, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the child support enforcement agency; and providing for an
2 effective date."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 * **Section 1.** AUDIT OF CHILD SUPPORT ENFORCEMENT AGENCY. (a) The
5 Legislative Budget and Audit Committee shall conduct an audit, as described in this section,
6 of the child support enforcement agency, Department of Revenue.

7 (b) The audit conducted under this section must include an examination and analysis
8 covering at least the following areas:

9 (1) the current residential address of the children and parents covered by the
10 case, the name of the adult having custody of the children, and the relationship of that adult
11 to the children; if custody has changed since the current child support obligation was
12 established, the audit shall determine whether the support order has changed accordingly and
13 whether the new noncustodial parent is making support payments;

14 (2) when child support was supposed to be paid according to the applicable

1 agency or court order, when and how much child support has been paid by the obligor, when
2 payments were received by the agency, when the agency posted the payments, and when and
3 the amount of disbursement made to the obligee or other person;

4 (3) whether the support collected by the agency matches the applicable agency
5 or court support order and, if they do not match, the reasons why they do not match;

6 (4) whether modifications of support orders have been made by the agency,
7 the reasons for the modifications, and when and how the affected obligors were notified;

8 (5) whether proper legal notices were served on the obligor or the obligor's
9 employer and whether postal return receipts related to legal notices are in the case file;

10 (6) whether an administrative hearing was requested, the date of the hearing,
11 the time period between the request for a hearing and the date of the hearing, and, if a
12 requested hearing did not occur, the reasons why the hearing did not occur;

13 (7) the reason for any collection of money from the obligor's accounts in
14 financial institutions, whether the accounts were jointly held, and, if so, whether the other joint
15 tenant was notified of the collection, and whether there was garnishment of wages, disability
16 payments, or unemployment benefits occurring in the case;

17 (8) when letters or other correspondence were dated and mailed by the agency,
18 with particular attention to whether predating or postdating of time-sensitive correspondence
19 occurred;

20 (9) with respect to enforcement of an out-of-state order, whether the interstate
21 agency specified the child support to be collected, whether the Alaska agency has modified
22 the out-of-state order, and whether the Alaska agency has properly applied current collections
23 to cover out-of-state interest or arrearages as well as current support obligations;

24 (10) with respect to enforcement of an out-of-state order, determination of the
25 amounts that the issuing state has credited to the obligor's account and a review of the Alaska
26 agency's records to determine if those amounts have been credited, and a determination of
27 whether the other state issued a refund to the Alaska agency and, if so, to whom the Alaska
28 agency credited the refund;

29 (11) whether tax refunds or permanent fund dividends of persons other than
30 the obligor were seized and, if so, when, how much, and why;

31 (12) whether and why interest on arrearages has been charged when automatic

1 income withholding has been used;

2 (13) whether the obligor's debt to the state based on welfare payments to the
3 children exceeds the applicable child support obligation and, if so, why;

4 (14) in the case of arrearages, whether the arrearage began accruing before or
5 after a family may have begun to receive welfare payments;

6 (15) whether interest imposed by the agency on arrearages was compound or
7 simple interest, what the annual percentage rate was, and whether the interest started accruing
8 based on the end of a month during which the payment was due or after the due date of the
9 payment;

10 (16) whether court or agency records were altered by hand before they were
11 received by an obligor or obligee and whether they were sent to the obligor and obligee in a
12 timely manner by certified mail, return receipt requested;

13 (17) whether there were written requests by the obligor or obligee to a case
14 worker, whether there was a response and what the response to the requests were, whether an
15 informal or formal hearing was requested, whether a hearing was held, and what the result of
16 the hearing was;

17 (18) other issues as determined by the legislative auditor.

18 (c) The results of the audit required by this section shall be presented in written form
19 to the legislature by January 1, 1999.

20 * **Sec. 2.** This Act takes effect immediately under AS 01.10.070(c).