

ALASKA STATE LEGISLATURE
SENATE HEALTH, EDUCATION & SOCIAL SERVICES COMMITTEE

January 29, 2001
1:35 p.m.

MEMBERS PRESENT

Senator Lyda Green, Chair
Senator Loren Leman, Vice Chair
Senator Gary Wilken
Senator Jerry Ward
Senator Bettye Davis

MEMBERS ABSENT

None

COMMITTEE CALENDAR

SENATE CONCURRENT RESOLUTION NO. 2
Relating to declaring March 2001 as Sobriety Awareness Month.
HEARD AND HELD

CS FOR SENATE BILL NO. 19(RES)
"An Act repealing the termination date of changes made by ch. 87, SLA 1997, and ch. 132, SLA 1998, regarding child support enforcement and related programs; repealing the nonseverability provision of ch. 132, SLA 1998; repealing uncodified laws relating to ch. 87, SLA 1997, and ch. 132, SLA 1998; and providing for an effective date."
HEARD AND HELD

PREVIOUS COMMITTEE ACTION

SCR 2 - No previous action.

SB 19 - See Resources minutes dated 1/24/01.

WITNESS REGISTER

Ms. Barbara Miklos, Director
Child Support Enforcement Division
Department of Revenue
550 W 7th Ave.
Anchorage, AK 99501

POSITION STATEMENT: Explained the provisions of SB 19

Ms. Diane Wendlandt

Department of Law
1031 W 4th, Suite 200
Anchorage, AK 99501

POSITION STATEMENT: Answered questions about SB 19

Mr. Ernie Turner, Director
Division of Alcoholism and Drug Abuse
Department of Health &
Social Services
PO Box 110601
Juneau, AK 99801-0601

POSITION STATEMENT: Supports SCR 2 and suggested an amendment

Ms. Pam Watts
Advisory Board on Alcoholism and Drug Abuse
Department of Health &
Social Services
PO Box 110601
Juneau, AK 99801-0601

POSITION STATEMENT: Supports SCR 2

ACTION NARRATIVE

TAPE 01-6, SIDE A

Number 001

CHAIR LYDA GREEN called the Senate Health, Education & Social Services Committee meeting to order at 1:35 p.m. Present were Senators Leman, Wilken, Davis, and Chair Green. The first order of business to come before the committee was SB 19.

#SB19

SB 19-CHILD SUPPORT ENFORCEMENT/SOC SEC. #

MS. BARBARA MIKLOS, Director of the Child Support Enforcement Division (CSED), introduced Ms. Diane Wendlandt, Assistant Attorney General for CSED.

MS. MIKLOS explained that SB 19 is a sunset bill. In 1996, 1997, and 1998, the legislature passed bills pertaining to the federal welfare reform legislation. Congress included child support as part of the welfare reform legislation in an attempt to reduce the number of welfare recipients by ensuring that families had as many resources as possible. Child support plays a big part in helping people who have been on public assistance. In FY 00, almost half of the money collected by CSED was collected on behalf of people who, at one point in time, were on public assistance. The amount collected for people who are actually on public assistance is less

because the number of recipients has been reduced.

MS. MIKLOS said that the legislature passed legislation in 1996-1998 because, for the most part, Congress had put severe sanctions on the states. States would lose all federal funding for public assistance and child support funding if they did not comply. CSED believes that although those sanctions continue, the legislation helped CSED. In FY 99, CSED collected about \$81 million; in FY 00, CSED collected \$85 million, and in FY 01, it expects to collect \$90 million. As child support collections increase, the percentage of the money given to families will increase.

CHAIR GREEN noted that a graph of that information is in committee packets.

MS. MIKLOS said CSED believes the number of complaints about CSED has decreased. The 1996-1998 legislation provided CSED with additional collection tools, which CSED has been careful to use. The 1996 legislation did not contain a sunset clause, so none of its provisions are addressed in SB 19.

MS. MIKLOS said SB 19 simply repeals the sunset language in the 1997 and 1998 legislation. CSED worked very carefully with legislators during both of those years to make sure the legislation contained only provisions required by the federal legislation. She explained CSSB 19(RES) has three sections. The first contains a findings, purpose and intent section, the second repeals the sunset, nonseverability and related provisions, and the third is the effective date. The nonseverability is a provision from the 1998 legislation: it says that if any part of the legislation was found to be unconstitutional, the entire legislation would be unconstitutional. CSED requested that be removed. One case was brought before the Supreme Court regarding the driver's license program but was found to be constitutional. CSED is concerned that if any small part of that provision was found to be unconstitutional, the entire legislation would be thrown out.

Number 472

MS. MIKLOS reviewed a document entitled, "Child Support Enforcement 'Sunset' Summary." The laws passed in 1997 and 1998 contained provisions that will sunset this year. If the sunset occurs, Alaska will be out of compliance with welfare reform laws. The following provisions will sunset if SB 19 is not enacted:

- One provision applies to the availability of records and access to information and requires various agencies to provide information to CSED, which CSED uses in several ways. Most agencies were voluntarily providing that information before it

was required by Congress.

- Another section deals with best efforts language. Alaska's 1997 legislation had a provision allowing a person to contest losing a driver's license if that person was making a best effort to pay child support. That language was then put in the 1998 legislation. It was not required by Congress.

CHAIR GREEN asked if that provision was meant to sunset.

MS. MIKLOS said it was.

CHAIR GREEN noted that Senator Ward had arrived.

MS. MIKLOS continued.

- The central registry provision is a congressional requirement that requires CSED to keep a list of all child support orders available, whether or not the parties are involved with CSED. This helps CSED determine when a person applies for services whether a child support order already exists.

CHAIR GREEN asked if that is part of the interstate compact.

MS. MIKLOS said it was part of welfare reform.

MS. WENDLANDT explained it is simply a federal requirement.

MS. MIKLOS continued explaining the provisions of SB 19, which repeals sunset dates for the following activities:

- One section deals with credit bureau reporting. CSED was doing credit reporting prior to the congressional requirements.
- A definition provision was intended to make definitions common between states and is not substantive. Another provision deals with due process.
- The federal law improved due process, particularly when people do voluntary paternity. In addition, other opportunities have been provided for people to review various things CSED does in case work. For example, when CSED sends out a withholding order to an employer, CSED notices the person whose wages are being withheld to give that person a chance to respond.
- The financial institution data match program is one in which a list of people who have arrears is matched against assets in financial accounts. CSED had a similar program before welfare reform but it was not automated.
- A section requires seven days for employers to respond to a request for withholding. It also requires CSED to get its

payments out within two days.

- Regarding liens, CSED is required to give full faith and credit to liens from other states. Many states go through CSED but the person must be notified and given the same due process requirements.
- Regarding modifications, CSED must notify people every three years that their support orders could be modified because of income changes.
- The new hire reporting requirement mandates that employers inform CSED of new or rehires. CSED works with employers to make sure they comply as opposed to being punitive. CSED did a 6-month study and found that 12 percent of the collections were from new hire reporting.

CHAIR GREEN asked if the employer reporting requirement is federal.

MS. MIKLOS said it is.

SENATOR LEMAN asked if new hire reporting can be done electronically so that an employer can go to a website and enter the necessary information.

MS. MIKLOS answered that employers can file electronically by sending tapes but they are not able to do it through a website yet.

SENATOR LEMAN asked how an employer with just one employee would file.

MS. MIKLOS said small employers can mail or fax a copy of the W-4 form or another kind of form.

MS. MIKLOS said that people on public assistance have always had to cooperate with CSED but CSED is now the entity to determine whether a person is cooperating. CSED notifies DHSS about non-cooperation. The next section of the bill pertains to nondisclosure of information. CSED had an existing statute that required it to let the non-custodial parent know where the custodial parent lives unless the non-custodial parent was paid up with child support. Congress felt, in general, that non-custodial parents should have more access to their children. Congress said that unless providing the custodial parent's address could endanger the child, the non-custodial parent would get that address whether or not the non-custodial parent had any child support arrears. The Legislature amended Alaska's statute to reflect that change.

Regarding changes to paternity provisions, MS. MIKLOS said that the rights and responsibilities of fathers who voluntarily acknowledge

paternity are explained right away. Either party may now request genetic testing and may request two genetic tests. When genetic tests are done, the best interest of the child must be considered. The cost recovery of genetic testing is specified.

Number 1120

CHAIR GREEN asked in what circumstance it might not be in the best interest of the child to do genetic testing.

MS. MIKLOS explained it would not be in the child's best interest if establishing paternity could put the child in danger. If there was an allegation of child abuse or child sexual abuse, CSED would not go forward with the case and do genetic testing. She said that has never happened to her knowledge and would be very rare.

MS. MIKLOS said the bill gives CSED the ability to do a seek work order, although CSED has chosen to go through the court. Regarding social security numbers, the state got the federal requirement to list those on hunting and fishing licenses waived. That requirement was waived because CSED could prove that better data could be obtained from other sources, particularly the permanent fund. However, social security numbers are required on applications for drivers', occupational, and marriage licenses.

Regarding subpoenas, the legislation gives CSED the authority to subpoena various people for information. CSED has been doing that through the Commissioner's authority so the practice is not new.

The last change relates to UIFSA (the Uniform law) and makes minor changes so that Alaska's law is consistent with other states.

Number 1252

CHAIR GREEN asked if every complicated issue in the bill is ground that the legislature already covered in 1997 and 1998 or whether any points are new, other than the sunset issue.

MS. MIKLOS said it is all ground the legislature has covered before.

SENATOR LEMAN asked why Section 1 is in the bill.

MS. WENDLANDT stated that Section 1 was included to explain, as a historical matter, what lead up to this legislation. It references the federal requirements and the success of the provisions. Section 1 is not essential.

SENATOR LEMAN thought the intent could have been included in a sponsor statement or letter, rather than put in statute. He said he does not have a problem with the findings or intent.

CHAIR GREEN said she agrees. She asked Ms. Miklos to discuss the driver's license issue, particularly the requirement that a social security number be provided on the application for a driver's license. She asked whether that issue is addressed in SB 19.

MS. MIKLOS said regarding the sunset, the driver's license is listed with the other licenses on page 4. She said the requirement is that the social security number be on the application but not on the license itself.

CHAIR GREEN asked whether it is up to CSED or the issuing agency to notify applicants that they can opt to not have the social security number put on the license itself.

MS. MIKLOS said it is not up to CSED.

CHAIR GREEN asked if the Senate Resources Committee removed the requirement to put social security numbers on hunting and fishing licenses.

MS. MIKLOS said that is correct.

Number 1548

CHAIR GREEN noted the sunset provisions were put in the earlier legislation to get greater support for it. She asked Ms. Miklos to address the nonseverability clause.

MS. MIKLOS explained that the nonseverability clause was put in the 1998 legislation. It said if any piece of the legislation was found to be unconstitutional, then everything would be thrown out. The nonseverability clause has been used in the past when legislation is pretty similar but, in this case, the legislation is so diverse it differed from other circumstances when a nonseverability clause was used.

CHAIR GREEN asked whether any questions have been raised about any portions of the previous legislation being unconstitutional.

MS. MIKLOS said the driver's license provision was challenged and found to be constitutional.

CHAIR GREEN asked if any other states have nonseverability language in their child support legislation.

MS. MIKLOS said she is not aware of any.

CHAIR GREEN thought the legislation may have "stood the test of time."

SENATOR WARD asked if the recent audit had any bearing on any of the provisions in SB 19.

MS. MIKLOS said it did not.

CHAIR GREEN pointed out the Legislature does not want some of the provisions in the legislation sunsetted, i.e., the ability of CSED to do certain things versus the ability of the court and the best efforts language. She asked whether the federal agency has had any reaction to Alaska's 1997 and 1998 child support legislation.

MS. MIKLOS explained that the whole thing relates back to the child support state plan. CSED had to respond to the federal agency, which accepted Alaska's state plan.

CHAIR GREEN asked Ms. Miklos to provide her with a review in the near future of the areas in the bill that can withstand a sunset and those that cannot. She noted she would schedule CSSB 19(RES) for another hearing on February 5.

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Number 1820

#SCR 2

SCR 2-SOBRIETY AWARENESS MONTH

The committee took up SCR 2.

SENATOR WARD, sponsor of the measure, explained that March has been designated as a month to honor sobriety since 1995. This movement began with the Alaska Federation of Natives (AFN). SCR 2 honors sobriety and holds up those people that consider sobriety to be a way of life. He has discussed this movement with many community councils and villages around Alaska and they are completely aware that the Legislature and the Governor honor sobriety.

MR. ERNIE TURNER, Director of the Division of Alcoholism and Drug Abuse for the Department of Health and Social Services (DHSS), said DHSS strongly supports SCR 2 to designate March, 2001, as sobriety awareness month. It gives communities the opportunity to participate in activities that promote sobriety as a normal way of life. He expressed concern that SCR 2 does not include inhalants because the use of inhalants is a big problem in many communities.

CHAIR GREEN asked Senator Ward if the larger sobriety awareness organization crafted the language in SCR 2.

SENATOR WARD said it did. He agreed with Mr. Turner's concern about the use of inhalants and noted Governor Knowles brought that issue up when in Minto and Bethel.

CHAIR GREEN asked Senator Ward if it would be inappropriate to add a separate "Whereas" clause.

SENATOR WARD said it would not.

CHAIR GREEN asked Senator Ward to bring an amendment before the committee on Wednesday.

MR. TURNER added that National Sobriety Month occurs in October but Alaska has designated March as sobriety awareness month because of the Iditarod sled dog race. He thought that at least one musher brings attention to sobriety during the race.

Number 2102

SENATOR LEMAN asked Mr. Turner whether sobriety means teaching against any use of alcohol and drugs or whether it is an effort to work toward no abuse of alcohol or use of non-medically prescribed drugs.

MR. TURNER said sobriety has been defined to mean a positive and healthy way of life, free from the devastating effects of alcohol and drugs. He noted that several meanings exist. To a person in recovery, sobriety is something of extreme value. It is a way of life that is serene and allows the recovering alcoholic to be at peace with life. He pointed out there is a difference between being sober and being dry.

SENATOR WARD thanked Mr. Turner for acknowledging Mike Williams' [an Iditarod musher's] efforts to support sobriety on a national and international level. Senator Ward pointed out,

25 years ago, our people on TV had a martini in their hand and a cigarette in their mouth and a lot of people grew up thinking that this was a normal thing and you had to do these things in order to be socially acceptable. As a society, it's also not only socially acceptable to rise up those leaders that honor sobriety, but this movement is encouraging rising those up. This does not say that people can't drink. It doesn't say people can't honor

people that do drink. What it does - this gives permission to us - we are honoring those people that honor sobriety.....

MR. TURNER noted one other month has been recognized for people in recovery - November. It is called gratitude month.

SENATOR WARD said he would like to add a reference to inhalants to SCR 2.

MS. PAMELA WATTS, Executive Director of the Advisory Board on Alcoholism and Drug Abuse, said SCR 2 is a foundation piece for the strategies outlined in the state plan for alcohol and drug abuse services. It calls for communities and individuals to take responsibility for the negative consequences of alcohol. The Board is encouraged because it sees more of that occurring statewide. As SCR 2 suggests, the benefits of sobriety can be an improvement in the quality of life and can reduce the incidence of alcohol and drug related crime and the recidivism rate of criminals and the burden on government for funds to combat crime. She encouraged committee members to carefully consider other pieces of legislation that relate to alcoholism and offered to provide information.

TAPE 01-5, SIDE B

SENATOR LEMAN noted he appreciates Senator Ward's efforts.

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There being no further business to come before the committee, CHAIR GREEN adjourned the meeting at 2:24 p.m.