

SB

117

H. Ted & Son File

STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION: SB 117
PUBLISH DATE: _____

FISCAL NOTE

REQUEST:

Revision Date: February 11, 1988
Title: An Act Relating to Child Support Enforcement
Sponsor: Rules
Requestor: Governor

Agency Affected: Revenue
ERU: Child Support Enforcement
Components: Operating

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
OPERATING						
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	-	-	-	-	-
CAPITAL	-	-	-	-	-	-
REVENUE	*	*	*	*	*	*

(see Note below)

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

ANALYSIS: (Attach a separate page if necessary)

Note on Fiscal Analysis

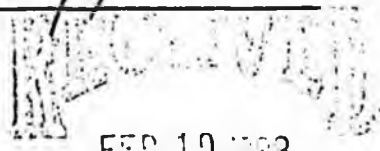
* Estimated annual income generation of one hundred thousand by imposing fee structure.

Prepared By: Holli Ploog, Director Phone: 263-6270
Division: Child Support Enforcement Division Date: February 11, 1988

Approved by Commissioner: Hugh Malone Date: February 11, 1988
Agency: Department of Revenue

Distribution (by preparer):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)



LEGISLATIVE FINANCE

4/29/88 HFC

STATE OF ALASKA
1988 LEGISLATIVE SESSION

BILL VERSION: HCS SB 117 (Jud)
PUBLISH DATE: _____

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: "An Act relating to...enforcement
by the child support enforcement agency..."
Sponsor: Governor
Requestor: House Finance

Agency Affected: Labor
BRU: Employment Security
Components: Unemployment
Insurance

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 88	FY 89	FY 90	FY 91	FY 92	FY 93
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND&STRUCTURES						
GRANTS,CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
---------	--	--	--	--	--	--

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

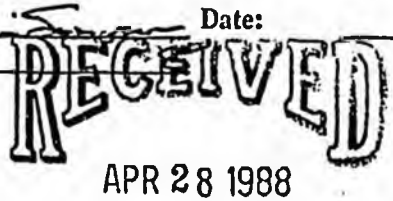
FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Joe Sitton *JSitton* Phone: 465-2712
Division: Employment Security Date: 4/26/88

Approved by Commissioner: Jim Sampson Date: 4/26/88
Agency: Department of Labor

Distribution (by preparer) :
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)



SENATE COMMITTEE REPORT

FURTHER:

3/27/87

DATE TURNED INTO OFFICE

5/13/87

Mr. President:

FINANCE

Committee considered

SB 117

child support enforcement.

and recommended:

[] replace with CS FOR _____) [] same title
[] or adopt _____ CS FOR _____) [] new title

[] attached amendment(s) and

[] do pass

[] do not pass

[] no recommendation

[] individual recommendations

[] further referral to _____

[] letter of intent adopted (Judiciary)

Committee [] attached or [] adopted fiscal note(s)

[] new [] updated or [] previous
[] zero [] fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Paul F. Howard
Paul F. Howard
Paul F. Howard
Paul F. Howard

Do Pass
Chairman signature and recommendation

[] Committee Backup Attached

STATE OF ALASKA



SENATE JUDICIARY COMMITTEE


SEN. JAY KERTTULA
SEN. ARLISS STURGULEWSKI
SEN. RICK HALFORD
SEN. JOE JOSEPHSON
SEN. PAT RODEY

P.O. BOX V
STATE CAPITOL
JUNEAU, ALASKA 99811
(907) 465-3717
(907) 465-3771

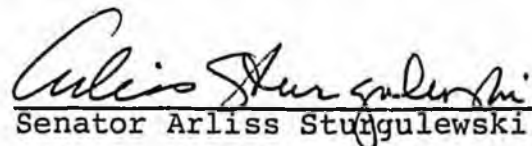
LETTER OF INTENT

SENATE BILL NO. 117

Under this bill, as requested by the governor, the Division of Child Support Enforcement in the Department of Revenue is allowed to bill for the services provided in collecting child support payments. Attorney time will be billed at the full rate for attorney services. The committee estimates that there would be major cost savings for those seeking child support payments due them if attorneys from the Department of Law were not assigned on a case-by-case basis but rather were assigned full-time to the division. That way they could build expertise in the field of child support enforcement and be able to deal with the cases expeditiously, thus saving money for the clients. Savings for the clients would be in the best interests of the children for whom the money is collected. It is therefore the intent of the Senate Judiciary Committee that the Department of Law assign one or two staff attorneys full-time to the Division of Child Support Enforcement.

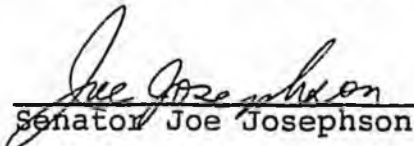


Senator Jay Kerttula



Senator Arliss Sturgulewski

Senator Rick Halford



Senator Joe Josephson

Senator Pat Rodey

**STATE OF ALASKA 1987 LEGISLATIVE SESSION
FISCAL NOTE**

SB 117

Revision Date : _____

REQUEST

Bill/Resolution No. : _____
 Title: An Act Relating to Child Support Enforcement
 Sponsor: Department of Revenue
 Requestor : _____
 Date of Request : December 1, 1986

FISCAL DETAIL

Agency Affected: Department of Revenue
 BRU: Child Support Enforcement Division
 Components: Operating

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 87	FY 88	FY 89	FY 90	FY 91	FY 92
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING						

CAPITAL						
---------	--	--	--	--	--	--

REVENUE	*	*	*	*	*	*
---------	---	---	---	---	---	---

FUNDING : (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS :

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

* Estimated annual income generation of \$100,000 - 1,000,000 by imposing fee structure.

Prepared by: Holli Ploog
 Division: Child Support Enforcement Division

Phone: 276-3441
 Date: 12/1/86

Approved by Commissioner: Walter B. Barker
 Agency: Department of Revenue

Date: 12-1-86

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

1 IN THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2

SENATE BILL NO. 117

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to child support enforcement."

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 * Section 1. AS 47.23.020(a)(7) is amended to read:

9 (7) establish and enforce administratively in accordance
10 with this chapter, or through the superior courts of the state, child
11 support orders from other jurisdictions pertaining to obligors within
12 the state;

13 * Sec. 2. AS 47.23.020(b) is amended to read:

14 (b) In determining the amount of money an obligor must pay to
15 satisfy the obligor's immediate duty of support, the agency shall
16 consider all payments made by the obligor directly to the obligee or
17 to the obligee's custodian before the time the obligor is ordered to
18 make payments through the agency.

19 * Sec. 3. AS 47.23.100 is amended to read:

20 Sec. 47.23.100. ALL PERSONS MAY USE AGENCY. The agency shall
21 provide aid to any person due child support under the laws of this
22 state upon application. The agency may, by regulation, [NOT] impose a
23 fee for services provided under AS 47.23.010 -- 47.23.280 [UNLESS
24 REQUIRED BY FEDERAL LAW].

25 * Sec. 4. AS 47.23.105 is amended to read:

26 Sec. 47.23.105. AUDIT OF COLLECTIONS. Within 30 [10] working
27 days after receipt of a written request from an obligor or the
28 obligor's legal representative, the agency shall provide an audit of
29 all child support payments made by the obligor and received by the

1 agency. The audit shall include the date and amount of each payment,
2 the name of the obligee, and the total amount of arrearages of support
3 past due and amount of unpaid penalties and interest imposed under
4 AS 47.23.020(a)(2)(C). The agency is required to provide an audit for
5 an obligor under this section only once each year.

6 * Sec. 5. AS 47.23.226 is amended to read:

7 Sec. 47.23.226. COLLECTION OF SUPPORT. To collect the payment
8 due, the custodian of a child, or the agency on behalf of that person,
9 shall file with the court (1) [A MOTION REQUESTING ESTABLISHMENT OF A
10 JUDGMENT; (2)] an affidavit that states that one or more payments of
11 support are 30 or more days past due and that specifies the amounts
12 past due and the dates they became past due; and (2) [(3)] notice of
13 the obligor's right to respond. Service on the obligor must be in the
14 manner provided in AS 47.23.265. The child's custodian, or the agency
15 on behalf of the custodian, shall file with the court proof of service
16 of the [PETITION,] affidavit[,], and notice. The obligor shall respond
17 no later than 15 days after service by filing an affidavit with the
18 court. If the obligor's affidavit states that the obligor has paid
19 any of the amounts claimed to be delinquent, describes in detail the
20 method of payment or offers any other defense to the custodian's or
21 agency's affidavit [PETITION], then the obligor is entitled to a
22 hearing. After the hearing, if any, the court shall enter a judgment
23 for the amount of money owed. If the obligor does not file an affida-
24 vit under this section, the court shall enter a default judgment
25 against the obligor.

26 * Sec. 6. AS 47.23.250(e) is amended to read:

27 (e) Any person, political subdivision, or department of the
28 state served with an order to withhold and deliver is required to make
29 true answers to inquiries contained in the order under oath and in

1 writing within 14 [30] days after [OF] service of the order, and is
2 further required to answer all inquiries subsequently put.

3 * Sec. 7. AS 47.23.250(i) is amended to read:

4 (i) An order to withhold and deliver under this section has
5 priority over all other attachments, executions, garnishments, or
6 other legal process brought under state law against the same money
7 unless otherwise ordered by the court. Exemptions under AS 09.38 do
8 not apply to proceedings to enforce the payment of child support under
9 AS 47.23.230 -- 47.23.270; however, net disposable earnings are exempt
10 from execution as provided in 15 U.S.C. 1673(b). In this subsection,
11 "net disposable earnings" has the meaning given in 15 U.S.C. 1672.

12 * Sec. 8. AS 47.23.180(c) is repealed.

STEVE COWPER
GOVERNOR

sh 117

STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

February 9, 1987

The Honorable Jan Faiks
President of the Senate
Alaska State Legislature
P.O. Box V
Juneau, AK 99811

Dear Senator Faiks:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to the duties and authority of the child support enforcement division of the Department of Revenue. This bill amends statutory provisions concerning the collection of child support. The amendments will enhance the expeditious handling of child support enforcement matters and will permit the division to charge fees for the services that it provides.

Section 1 of the bill, which amends AS 47.23.020(a)(7), makes clear that child support orders from other jurisdictions may be enforced administratively as well as through the judicial process.

Section 2 of the bill, which amends AS 47.23.020(b), requires the division to credit the obligor with payments made directly to the obligee only if the payments are made before the obligor is ordered to make payments through the child support enforcement division. Currently the division must credit all direct payments, regardless of when they were made. This requirement causes an extra cost to the state in two ways: (1) the division may not, under federal law, report these direct payments to the federal authorities as income, and therefore the state does not receive federal incentive payments for these direct payments; and (2) the division's computer is not programmed to make adjustments for direct payments made after the division is involved, requiring manual audits to be performed. These manual audits are time-consuming and take time away from other enforcement activities. Because of the cost of reprogramming the computer, that alternative is not cost-effective, especially after taking into consideration the fact that manual input would still be required.

sk117

Section 3 of the bill, which amends AS 47.23.100, gives the division authority to impose a fee for services provided under AS 47.23.010 -- 47.23.280. Currently, the division is prohibited from charging a fee other than an application fee that is mandated by federal law. The authority to charge fees would allow the division to pursue cost recovery, including attorney time and court costs incurred in the establishment (of support orders) and enforcement activities.

Section 4 of the bill, which amends AS 47.23.105, allows the division to process an obligor's request for an audit within 30 days rather than the currently mandated 10 days. The division does not have sufficient staff to process audit requests within the 10-day time frame without neglecting other areas of concern, particularly audits needed for court enforcement actions.

Section 5 of the bill, which amends AS 47.23.226, provides that the division may seek a judgment without the necessity of filing a motion before the court to do so. The action would be brought before the court on the basis of an affidavit, supplied by either the child's custodian or the division, and notice to the obligor that the action had been commenced. If a motion is not required, the division would not have to use attorney time for this function. The division currently obtains income withholding orders from the court using an affidavit rather than a motion.

Section 6 of the bill amends AS 47.23.250(e) to correspond with federal law and AS 47.23.062(e), which mandate that an obligor's employer begin withholding money from the obligor's wages 14 days after the mailing date on the notice regarding the withholding, or on the first day of the next pay period if that is earlier. Currently, because of the inconsistent time periods, the division does not receive payments on administrative withholding orders for a period of 30 days.

Section 7 amends AS 47.23.250(i) to correspond to the provisions of AS 47.23.062(g). AS 47.23.062(g) gives priority to court-ordered child support garnishments over all other attachments against the same money, unless ordered otherwise by the court. The amendment would require that administrative orders be treated in the same fashion.

Section 8 of the bill, which repeals AS 47.23.180(c), clarifies the procedure for appeal from administrative

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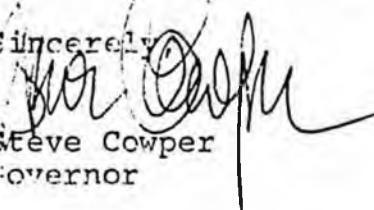
Hon. Jan Faiks

Page 3

decisions. An administrative decision may be appealed to the court under AS 47.23.210. Currently, AS 47.23.180(c) makes it appear that while the administrative process is going on, the obligor can go into court and seek another forum for relief. Often the court will not be informed that the obligor is currently involved in an administrative procedure. Although the court should be available to the obligor as an alternative forum for an appeal, it should not be used to avoid or subvert the administrative procedure.

The amendments in this bill would allow the child support enforcement division to meet its responsibility to collect support in an expeditious and cost-effective manner.

Sincerely,



Steve Cowper
Governor

SENATE COMMITTEE REPORT

FIRST COMMITTEE OF REFERRAL

Date of _____ 5-DAY NOTICE
IN ACCORDANCE WITH UNIFORM RULE 23

FURTHER: FINANCE

**FISCAL NOTE(S) ATTACHED _____ **
IN ACCORDANCE WITH AS 24.08.035
(see below)

Mr. President:

DATE TURNED INTO OFFICE 3/26/87

JUDICIARY Committee considered SB 117

child support enforcement.

and recommended:

[] replace with CS _____ [] same title

[] attached amendment(s) and [] new title

majority
 do pass

[] do not pass

[] no recommendation

[] individual recommendations

[] further referral to _____

letter of intent adopted and attached

** Committee [] attached or adopted *provision (Gov)* fiscal note(s)
[] zero *zero* fiscal impact

MEMBERS SIGNING DO PASS

OTHER RECOMMENDATIONS

Paul Josephson

Charles Stursuler Shi

Kathleen Bodely

Kurt...

Chairman signature and recommendation

[] Committee Backup Attached