

**SB**

**116**

**SFIN**

**FILE**

SENATE FINANCE COMMITTEE

SB 115 UNIFORM INTERSTATE FAMILY SUPPORT ACT

PLEASE SIGN IN BELOW

NAME: Glenda Straube

Co./DEPT./TITLE: DIRECTOR, CSEA PHONE: 269-6801

ADDRESS: 550 W. 7<sup>th</sup>, #312 ZIP: 99501

DO YOU WISH TO TESTIFY?  YES  NO  RESPOND TO QUESTIONS

NAME: MARILYN MAY

Co./DEPT./TITLE: LAW; COLLECTIONS & SUPPORT PHONE: \_\_\_\_\_

(VAL HAS NUMBER)

ADDRESS: \_\_\_\_\_ ZIP: \_\_\_\_\_

DO YOU WISH TO TESTIFY?  YES  NO  RESPOND TO QUESTIONS

NAME: Art Peterson

Co./DEPT./TITLE: NCCUSL / Uniform Law Commissioner PHONE: 586-4000

ADDRESS: 550 N. Franklin St., Juneau, Ak. ZIP: 99801

DO YOU WISH TO TESTIFY?  YES  NO  RESPOND TO QUESTIONS

NAME: Southall

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DO YOU WISH TO TESTIFY?  YES  NO  RESPOND TO QUESTIONS

SENATE FINANCE  
COMMITTEE

9-GS0043K  
Lauterbach  
4/30/95

Amendment Number: CS-1  
Bill Number: SB 116  
Sponsor: Hal Ford Date: 5/1/95  
Logged In By: [Signature]

CS FOR SENATE BILL NO. 116(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE FINANCE COMMITTEE

Offered:  
Referred:

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR  
A BILL

FOR AN ACT ENTITLED

1 "An Act relating to administrative establishment and disestablishment of paternity  
2 and establishing paternity by affidavit; relating to child support enforcement;  
3 amending Alaska Rule of Civil Procedure 90.3(h)(2); and providing for an  
4 effective date."

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

6 \* Section 1. AS 18.50.160(d) is repealed and reenacted to read:

7 (d) If the mother was married at conception, during the pregnancy, or at birth,  
8 the name of the husband shall be entered on the certificate as the father of the child  
9 unless

10 (1) paternity has been lawfully determined otherwise by a tribunal, in  
11 which case the name of the father, if determined by a tribunal, shall be entered; or

12 (2) both the mother and the mother's husband execute affidavits  
13 attesting that the husband is not the father and that another man is the father, and the  
14 mother and the other man execute affidavits attesting that the other man is the father,

1 so long as the affidavits meet the requirements of (g) of this section.

2 \* Sec. 2. AS 18.50.160(e) is repealed and reenacted to read:

3 (e) If the mother was not married at conception, during the pregnancy, or at  
4 birth, the name of the father may not be entered on the certificate of birth, unless

5 (1) paternity has been lawfully determined by a tribunal, in which case  
6 the name of the father, if determined by the tribunal, shall be entered;

7 (2) both the mother and the man to be named as the father have  
8 executed affidavits attesting that that man is the father, so long as the affidavits meet  
9 the requirements of (g) of this section; or

10 (3) as otherwise specified by statute.

11 \* Sec. 3. AS 18.50.160 is amended by adding new subsections to read:

12 (g) An affidavit under (d) or (e) of this section must meet the following  
13 requirements:

14 (1) the affidavit must be executed by all required individuals; an  
15 affidavit may be executed jointly, individually, or in combination of jointly and  
16 individually; and

17 (2) if an affidavit is executed by more than one individual, the  
18 signature of each individual must be individually notarized.

19 (h) In this section, unless the context requires otherwise, "tribunal" means a  
20 court, administrative agency, or quasi-judicial entity authorized by law to determine  
21 parentage.

22 \* Sec. 4. AS 25.27.020(a) is amended to read:

23 (a) The agency shall

24 (1) seek enforcement of child support orders [OF THE SUPERIOR  
25 COURTS] of the state in other jurisdictions and shall obtain, enforce, and administer  
26 the orders in this state;

27 (2) adopt regulations to carry out the purposes of this chapter, including  
28 regulations that establish

29 (A) schedules for determining the amount an obligor is liable  
30 to contribute toward the support of an obligee under this chapter and under  
31 42 U.S.C. 651 - 669 (Title IV-D, Social Security Act);

1 (B) procedures for hearings conducted under AS 25.27.170;

2 [AND]

3 (C) subject to AS 25.27.025 and to federal law, a uniform rate  
4 of interest on arrearages of support that shall be charged the obligor upon  
5 notice if child support payments are 10 or more days overdue or if payment is  
6 made by a check backed by insufficient funds; however, an obligor may not be  
7 charged interest on late payment of a child support obligation, other than a  
8 payment on arrearages, if the obligor is

9 (i) employed and income is being withheld from the  
10 obligor's wages under an income withholding order;

11 (ii) receiving unemployment compensation and child  
12 support obligations are being withheld from the obligor's unemployment  
13 payments under AS 23.20.401; or

14 (iii) receiving compensation for disabilities under  
15 AS 23.30 and child support obligations are being withheld from the  
16 obligor's compensation payments; and

17 (D) procedures for establishing and disestablishing paternity,  
18 including procedures for hearings;

19 (3) administer and enforce AS 25.25 (Uniform Reciprocal Enforcement  
20 of Support Act);

21 (4) establish, enforce, and administer child support obligations  
22 administratively under this chapter;

23 (5) administer the state plan required under 42 U.S.C. 651 - 669 (Title  
24 IV-D, Social Security Act) as amended;

25 (6) disburse support payments collected by the agency to the obligee,  
26 together with interest charged under (2)(C) of this subsection;

27 (7) establish and enforce administratively under this chapter, or through  
28 the superior courts of the state, child support orders from other jurisdictions pertaining  
29 to obligors within the state;

30 (8) enforce and administer spousal support orders if a spousal support  
31 obligation has been established with respect to the spouse and if the support obligation

1 established with respect to the child of that spouse is also being administered; and

2 (9) obtain a medical support order as part of a child support order if  
3 health care coverage is available to the obligor at a reasonable cost; the agency shall  
4 consider whether adequate health care is available to the child through the Indian  
5 Health Service or other insurance coverage before it orders an obligor to provide health  
6 care coverage through insurance or other means; the medical support order must meet  
7 the requirements of AS 25.27.063; [AND]

8 (10) act on behalf of the Department of Health and Social Services in  
9 the enforcement of AS 47.07.025(b);

10 (11) establish or disestablish, administratively or through court  
11 action, the paternity of a child;

12 (12) promptly provide to the Bureau of Vital Statistics, in a format  
13 approved by the bureau, any final agency decision administratively establishing  
14 or disestablishing the paternity of a child born in this state; and

15 (13) act as the central registry for all child support orders.

16 \* Sec. 5. AS 25.27.022 is amended to read:

17 Sec. 25.27.022. ESTABLISHMENT AND ENFORCEMENT REQUESTS  
18 FROM OTHER STATES. (a) The agency may act, under the laws of this state,  
19 upon requests from similar state agencies in other states that operate child support  
20 enforcement programs under 42 U.S.C. 651 - 669 (Title IV-D Social Security Act)  
21 to establish or disestablish paternity and to establish and enforce against obligors  
22 within this state support obligations determined in other states.

23 (b) Requests from child support enforcement agencies in other states shall be  
24 made by application containing the information that this state's agency requires and  
25 including written authorization from the requesting state agency and the obligee for  
26 this state's agency to initiate necessary action [NECESSARY TO ESTABLISH,  
27 ENFORCE, AND COLLECT THE SUPPORT OBLIGATION ON THEIR BEHALF].

28 \* Sec. 6. AS 25.27.040(a) is amended to read:

29 (a) The agency may [SHALL] appear on behalf of minor children or their  
30 mother or legal custodian or the state and initiate efforts to have the paternity of  
31 children born out of wedlock determined by the court. When the agency is a party to

1 a court [IN AN] action in which paternity is contested, it shall request and pay for  
2 genetic testing [TESTS] and procedures under AS 25.20.050(f). The agency may  
3 recover the costs of the tests as a cost of the court action, except that costs may not  
4 be recovered from a person who is a recipient of aid under AS 47.25.310 - 47.25.420  
5 (Aid to Families with Dependent Children).

6 \* Sec. 7. AS 25.27.040(c) is amended to read:

7 (c) When the agency is a party in a court [AN] action in which paternity is  
8 contested, the agency shall move for a default judgment in a case that meets the  
9 conditions specified in AS 25.20.050(g).

10 \* Sec. 8. AS 25.27.075(f) is amended to read:

11 (f) The agency shall retain the information received under (a), (d), and (e) of  
12 this section for a particular employee only if the agency is responsible for establishing,  
13 enforcing, or collecting a support obligation of the employee or if the employee is a  
14 party to an administrative or judicial proceeding to determine the paternity of a  
15 child. If the employee does not owe a support obligation or is not a party to a  
16 paternity proceeding, the agency may not create a record regarding the employee, and  
17 the information contained in the notice shall be promptly destroyed.

18 \* Sec. 9. AS 25.27.085 is amended to read:

19 Sec. 25.27.085. SUBPOENAS. The agency, with the concurrence of the  
20 commissioner of revenue, may subpoena persons, books, records, and documents to

21 (1) determine the extent and location of assets of any obligor who is  
22 more than 45 days in arrears in a child support obligation established either by court  
23 or administrative order;

24 (2) determine the paternity of a child under AS 25.27.165; or

25 (3) disestablish the paternity of a child under AS 25.27.166.

26 \* Sec. 10. AS 25.27.140(a) is amended to read:

27 (a) If no support order has been entered, the agency may establish paternity  
28 and a duty of support utilizing the procedures prescribed in AS 25.27.160 - 25.27.220  
29 and may enforce a duty of support utilizing the procedure prescribed in AS 25.27.230 -  
30 25.27.270. Action under this subsection may be undertaken upon application of an  
31 obligee, or at the agency's own discretion if the obligor is liable to the state under

1 AS 25.27.120(a) or (b).

2 \* Sec. 11. AS 25.27 is amended by adding new sections to read:

3 Sec. 25.27.165. DETERMINATION OF PATERNITY IN AN  
4 ADMINISTRATIVE PROCEEDING. (a) Upon application from a mother, custodian,  
5 or legal custodian of a child, or from a state, the agency may institute administrative  
6 proceedings to determine the paternity of a child born out of wedlock.

7 (b) In order to initiate a paternity proceeding administratively, the agency shall  
8 serve a mother and putative father, as appropriate, with a notice of paternity and  
9 financial responsibility. The notice shall be served personally as set out in Alaska  
10 Rule of Civil Procedure 4(d) or by registered, certified, or insured mail, return receipt  
11 requested, for restricted delivery only to the person to whom the notice is directed or  
12 to the person authorized under federal law to receive that person's restricted delivery  
13 mail. The notice must be accompanied by

14 (1) an administrative order requiring that the mother, child, and putative  
15 father submit to genetic testing to be arranged by the agency;

16 (2) an administrative order requiring the putative father to provide  
17 financial information, as defined by the agency in regulation, within 20 days after  
18 service of the notice; all financial information provided to the agency under an order  
19 under this paragraph shall be held confidential by the agency, according to any  
20 applicable regulations; and

21 (3) a notice of right to informal conference, to be held within 20 days  
22 after receipt of an admission of paternity or service upon the parties of genetic test  
23 results.

24 (c) A person served with a notice of paternity and financial responsibility shall  
25 file a response, admitting or denying paternity and providing the required financial  
26 information, within 20 days after the date of service of the notice of paternity and  
27 financial responsibility. If the putative father admits paternity, the agency shall issue,  
28 within 20 days after the admission of paternity, a decision establishing paternity. If  
29 the putative father denies paternity, the putative father shall submit to genetic testing,  
30 as provided in (b) of this section, within 30 days after the date of service of the notice  
31 of paternity and financial responsibility.

1 (d) Upon receipt of genetic test results, the agency shall serve on the putative  
2 father notice of the test results and of the date for the informal conference. Service  
3 of the notice shall be made by first class mail. If the genetic test results are negative  
4 under the standard set in AS 25.20.050(d), the agency shall issue a finding of  
5 nonpaternity within 20 days after the agency's receipt of the test results. If the genetic  
6 test results are positive under the standard set in AS 25.20.050(d), the agency shall  
7 issue an informal conference decision within 20 days after the agency's receipt of the  
8 test results.

9 (e) If the agency issues a decision establishing paternity under (d) of this  
10 section, the putative father is entitled to a formal hearing if a written request for  
11 hearing is served on the agency by certified mail, return receipt requested, within 30  
12 days after the date of service of the agency's decision.

13 (f) If a request for a formal hearing is made under (e) of this section, an  
14 execution under AS 25.27.062 and 25.27.230 - 25.27.270 may not be stayed unless the  
15 putative father posts security or a bond in the amount of child support that would have  
16 been due under the informal conference decision pending the decision on the formal  
17 hearing. If no request for a formal hearing is made under (e) of this section, the  
18 informal conference decision establishing paternity is final.

19 (g) If a request for a formal hearing is made under (e) of this section, the  
20 hearing officer shall consider the evidence applying the standards set in  
21 AS 25.20.050(d).

22 (h) If a putative father who requests a formal hearing under (e) of this section  
23 fails to appear at the formal hearing, the hearing officer shall enter a final decision  
24 establishing paternity.

25 (i) The agency may recover any costs it pays for genetic tests required by this  
26 section, except that costs may not be recovered from a person who is a recipient of aid  
27 under AS 47.25.310 - 47.25.420 (Aid to Families with Dependent Children).

28 Sec. 25.27.166. DISESTABLISHMENT OF PATERNITY. (a) The agency  
29 shall, by regulation, establish procedures and standards for the disestablishment of  
30 paternity of a child whose paternity was established in this state if the paternity was  
31 not established by genetic test results that met the standard set out in AS 25.20.050(d)

1 at the time the test was performed.

2 (b) The agency's standards and procedures under (a) of this section must

3 (1) allow a person to petition the agency to disestablish paternity only  
4 once per child;

5 (2) allow a petition to disestablish paternity to be brought only within  
6 three years after the child's birth or three years after the petitioner knew or should have  
7 known of the father's putative paternity of the child, whichever is later; and

8 (3) provide standards and notice and hearing procedures that are  
9 equivalent to those used for establishment of paternity under AS 25.27.165.

10 (c) The agency shall disestablish paternity under this section if genetic test  
11 results are negative under the standard set out in AS 25.20.050(d) and if the other  
12 standards established in its regulations are met.

13 (d) If a decision under this section disestablishes paternity, the petitioner's  
14 child support obligation or liability for public assistance under AS 25.27.120 is  
15 modified retroactively to extinguish arrearages for child support and accrued liability  
16 for public assistance based on the alleged paternity that is disestablished under this  
17 section. This subsection may be implemented only to the extent not prohibited by  
18 federal law.

19 (e) The costs of genetic testing under this section shall be assessed against the  
20 petitioner if paternity is not disestablished. If paternity is disestablished under this  
21 section, the costs of genetic testing shall be assessed against

22 (1) the individual to whom the petitioner paid or owed child support  
23 payments for the child for whom paternity was disestablished; or

24 (2) the agency if there is no individual who meets the description in (1)  
25 of this subsection.

26 \* Sec. 12. AS 25.27.180(a) is amended to read:

27 (a) Within 20 days after [OF] the date of the hearing, the hearing officer shall  
28 adopt findings and a decision determining whether paternity is established and  
29 whether a duty of support exists and, if a duty of support is found, the amount of  
30 periodic payments or sum for which the alleged obligor is found to be responsible.

31 \* Sec. 13. AS 25.27.180(c) is amended to read:

1 (c) A decision regarding support rendered under (a) of this section is  
2 modified to the extent that a subsequent order, judgment, or decree of a superior court  
3 is inconsistent with the decision entered under (a) of this section.

4 \* Sec. 14. AS 25.27.210(a) is amended to read:

5 (a) Judicial review by the superior court of a final administrative [AN  
6 AGENCY] decision establishing or disestablishing paternity and establishing or  
7 modifying a duty of support or amounts of support due may be obtained by filing a  
8 notice of appeal in accordance with the applicable rules of court governing appeals in  
9 civil matters. A notice of appeal shall be filed within 30 days after [OF] the decision.

10 \* Sec. 15. AS 25.27.210(c) is amended to read:

11 (c) The complete record includes

12 (1) the notice and finding of financial responsibility, the notice of  
13 paternity and financial responsibility, or the notice of and petition for an action  
14 disestablishing paternity, as applicable;

15 (2) the request for a hearing;

16 (3) the decision of the hearing officer;

17 (4) the exhibits admitted or rejected;

18 (5) the written evidence;

19 (6) all other documents in the case, including decisions of the agency.

20 \* Sec. 16. AS 25.27.230(a) is amended to read:

21 (a) At the expiration of 30 days after [FROM EITHER] (1) the date of  
22 distribution of an income withholding order under AS 25.27.062, [OR] (2) the date of  
23 service of a notice and finding of financial responsibility under AS 25.27.160, or (3)  
24 the date of service of a decision establishing paternity under AS 25.27.165(c) or  
25 (d), the agency may assert a lien upon the real or personal property of the obligor, in  
26 the amount of the obligor's liability.

27 \* Sec. 17. AS 25.27.250(a) is amended to read:

28 (a) At the expiration of [EITHER] (1) 15 days after [FROM] the date of  
29 service of an income withholding order under AS 25.27.062 or notice under  
30 AS 25.27.150, or (2) 30 days after [FROM] the date of service of a notice and finding  
31 of financial responsibility under AS 25.27.160, or (3) 30 days after service of a

1        decision establishing paternity under AS 25.27.165(c) or (d), the agency may issue  
2        to any person, political subdivision, or department of the state an order to withhold and  
3        deliver property.

4        \* Sec. 18. AS 25.27.166(d), enacted by sec. 11 of this Act, has the effect of amending  
5        Alaska Rule of Civil Procedure 90.3(h)(2) by allowing retroactive modification of child  
6        support arrearages under circumstances involving disestablishment of paternity.

7        \* Sec. 19. TRANSITION: REGULATIONS. The Department of Revenue, child support  
8        enforcement agency, may immediately proceed to adopt regulations to implement the changes  
9        made by this Act. The regulations take effect under AS 44.62 (Administrative Procedure Act),  
10       but not before January 1, 1996.

11       \* Sec. 20. AS 25.27.166(d), enacted by sec. 11 of this Act, may take effect with only a  
12       majority vote of both houses of the legislature because the court rule it amends is an  
13       interpretive rule not governed by the procedural requirements of art. IV, sec. 15, Constitution  
14       of the State of Alaska.

15       \* Sec. 21. Section 19 of this Act takes effect immediately under AS 01.10.070(c).

16       \* Sec. 22. Except as provided in sec. 21 of this Act, this Act takes effect January 1, 1996.

FISCAL NOTES

SB 116 PATERNITY; CHILD SUPPORT ENFORCEMENT

<u>No.</u>	<u>DEPT.</u>	<u>DATE</u>	<u>AMOUNT</u>	
1.	DOLAW	3/06/95	0	
2.	DH&SS (AFDC) SHOWS GF/PR OF \$425.0 TO OFFSET EQUAL AMOUNT IN GF MATCH	3/06/95	0	
3.	DOR	3/06/95	\$341.6	425.0 REV.
4.	DH&SS VITAL STATS	3/06/95	0	

SFC 4-25-95



FISCAL NOTE

No. 3  
 Bill Version: SB 116  
 (S) Publish Date: 3/7/95

STATE OF ALASKA  
 1995 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_  
 Title: Administrative Establishment of Paternity  
 Sponsor: Rules  
 Requestor: Governor

Department Affected: Revenue  
 BRU: Child Support Enforcement Division  
 Component: Child Support Enforcement Division

COMPONENT SERIAL NO. 111

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES	169.1	351.7	365.8	380.4	395.6	411.5
TRAVEL						
CONTRACTUAL	86.2	180.2	180.3	196.9	206.0	215.4
SUPPLIES	3.2	6.4	6.4	6.4	6.4	6.4
EQUIPMENT	83.1	0	0	0	0	0
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>341.6</b>	<b>538.3</b>	<b>560.5</b>	<b>583.7</b>	<b>608.0</b>	<b>633.3</b>

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGE IN REVENUES ( )	425.0	850.0	850.0	850.0	850.0	850.0
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FUND SOURCE:

(Thousands of Dollars)

1002 Federal Receipts	225.4	355.3	369.9	385.3	401.3	418.0
1003 GF Match	46.1	72.7	75.7	78.7	82.1	85.4
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
OTHER	70.0	110.3	114.9	119.7	124.6	129.9
<b>TOTAL</b>	<b>341.6</b>	<b>538.3</b>	<b>560.5</b>	<b>583.7</b>	<b>608.0</b>	<b>633.3</b>

Estimate of any current year (FY 95) cost: \$ 0.0

POSITIONS:

FULL-TIME	8	8	8	8	8	8
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

The administrative establishment of paternity, in cases where the putative father has acknowledged paternity or a genetic test indicates a 95% or better probability that the putative father is the father, will decrease the time required to establish paternity. This decreased time will help CSED meet the new Federal time frame for establishment which require that an order must be established in 75% of the cases within 6 months of location of the obligor including establishing paternity if required. The previous requirement was that paternity had to be established within one year of serving the paternity complaint on the putative father. Once paternity was established CSED had an additional 3 months to establish an order. By establishing paternity more quickly, obligors will not accumulate large arrearage prior to being adjudicated the father. Obligor will be more likely to pay and will begin paying earlier. This will increase AFDC collections approximately \$1,700,000 per year of which the state will retain \$850,000. FY 96 revenues will be \$425,000 for half a year.

Prepared by: Glenda Straube Phone: 269-6801  
 Division: Child Support Enforcement Division Date: \_\_\_\_\_

Approved by Commissioner: Wilson L. Condon  
 Agency: Department of Revenue Date: 3/6/95

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No. of Pos	Position Title	Range	Salary	Overtime	FY 95. Total Costs	FY 97. Est. Costs	FY 98. Total Costs	FY 99. Total Costs	FY 00. Total Costs	FY 01. Total Costs
8	CSE01	13	29,736	12,537	169,792	191,711	205,093	207,411	196,627	411,657

Personal Services are estimated using Step 'A'

\*\* Program is effective 1/1/96, thus this cost represents 1/2 of total state fiscal year cost

\*\*\* Estimate based on 4% increase over prior fiscal year

# of Positions	FY 95. Est Supply \$ Cost Per Pos	FY 97. Est Supply \$ Cost Per Pos	FY 98. Est Supply \$ Cost Per Pos	FY 99. Est Supply \$ Cost Per Pos	FY 00. Est Supply \$ Cost Per Pos	FY 01. Est Supply \$ Cost Per Pos
8	400	800	400	400	400	400
<b>TOTAL SUPPLY COSTS</b>		<b>3,200</b>	<b>6,400</b>	<b>3,200</b>	<b>3,200</b>	<b>3,200</b>

Supply costs were estimated at \$50 per year per position. This number is based on FY 95 opening budget total divided by 127 employees.

\*\* Program is effective 1/1/96, thus this cost represents 1/2 of subsequent state fiscal year cost

# of Positions	FY 95. Workstation Est \$ Cost Per Pos	FY 97. Workstation Est \$ Cost Per Pos	FY 98. Workstation Est \$ Cost Per Pos	FY 99. Workstation Est \$ Cost Per Pos	FY 00. Workstation Est \$ Cost Per Pos	FY 01. Workstation Est \$ Cost Per Pos
8	10,256	-	-	-	-	-
<b>TOTAL EQUIPMENT COSTS</b>		<b>81,048</b>	-	-	-	-

Workstation costs are based on estimates used in FY 95 opening budget and include \$2,500 for technical workstation/replication, \$600 for chairs and \$450 for file cabinets.

2,425

Computer costs are based on estimates used in FY 95 opening budget and include all workstation costs. (see attachment)

5,700

Phone costs are based on estimates used in FY 95 opening budget and include all workstation costs. (see attachment)

1,181

10,306

# of Positions	FY 95. Contractual Est \$ Cost Per Pos	FY 97. Contractual Est \$ Cost Per Pos	FY 98. Contractual Est \$ Cost Per Pos	FY 99. Contractual Est \$ Cost Per Pos	FY 00. Contractual Est \$ Cost Per Pos	FY 01. Contractual Est \$ Cost Per Pos
8	2,102	21,473	21,303	22,508	21,717	24,809
<b>TOTAL CONTRACTUAL COSTS</b>		<b>18,818</b>	<b>172,834</b>	<b>178,248</b>	<b>140,371</b>	<b>188,148</b>

Estimated long distance costs were calculated by taking FY 95 purchased contracts (BC 72207 - \$5,877,496) and dividing by average number of employees (116.5).

FY 97 thru 01 were projected at 5% increases each year.

18,818

\*\* Program is effective 1/1/96, thus it is a year represents 1/2 of subsequent state fiscal year cost

# of Positions	FY 95. Contractual Est \$ Cost Per Pos	FY 97. Contractual Est \$ Cost Per Pos	FY 98. Contractual Est \$ Cost Per Pos	FY 99. Contractual Est \$ Cost Per Pos	FY 00. Contractual Est \$ Cost Per Pos	FY 01. Contractual Est \$ Cost Per Pos
8	1,700	2,040	2,140	2,140	2,040	2,140
<b>TOTAL SPACE RENTAL COSTS</b>		<b>13,160</b>	<b>14,320</b>	<b>14,720</b>	<b>14,720</b>	<b>14,720</b>

Space rental costs are based on current space costs of \$1.70 sq. ft. per sq. ft. at 127 square feet per employee. No increases are anticipated in fiscal years presented above.

2,040

\*\* Program is effective 1/1/96, thus the cost represents 1/2 of subsequent state fiscal year cost

**ADMINISTRATIVE PATERNITY ESTABLISHMENT  
COST PROJECTIONS**

	FY 96 Projected Cost \$	FY 97 Projected Cost \$	FY 98 Projected Cost \$	FY 99 Projected Cost \$	FY 00 Projected Cost \$	FY 01 Projected Cost \$
Personnel Services	169,092	351,711	365,780	390,411	395,627	411,451
Supplies	3,200	6,400	6,400	6,400	6,400	6,400
Equipment	87,088	-	-	-	-	-
Contractual	78,016	163,874	172,025	180,627	189,858	199,141
Space	8,160	16,320	16,320	16,320	16,320	16,320
<b>Total</b>	<b>341,556</b>	<b>538,265</b>	<b>560,525</b>	<b>583,758</b>	<b>608,005</b>	<b>633,313</b>
<i>Projected Funding Sources</i>						
Federal Match (66%)	225,427	355,255	369,947	395,280	401,294	417,197
Federal Incentives (20.5%)	70,019	110,314	114,008	119,670	121,841	124,829
State General Fund (13.5%)	46,110	72,696	76,570	78,807	82,081	85,407
<b>Total</b>	<b>341,556</b>	<b>538,265</b>	<b>560,525</b>	<b>583,758</b>	<b>608,005</b>	<b>633,313</b>

STATE OF ALASKA  
1995 LEGISLATIVE SESSION

FISCAL NOTE

No. 2  
BILL N Bill Version: SB 116  
(S) Publish Date: 3/7/95

Revision Date: \_\_\_\_\_ Dept. Affected: Health and Social Services  
Title: An Act relating to the administrative establishment of paternity BRU: Assistance Payments  
Sponsor: Rules Component: AFDC  
Requestor: Governor COMPONENT SERIAL NO. 220

**Expenditures/Revenues:** (Thousands of Dollars)

OPERATING	FY96	FY97	FY98	FY99	FY00	FY01
PERSONAL SERVICES	0.0	0.0	0.0	0.0	0.0	0.0
TRAVEL	0.0	0.0	0.0	0.0	0.0	0.0
CONTRACTUAL	0.0	0.0	0.0	0.0	0.0	0.0
SUPPLIES	0.0	0.0	0.0	0.0	0.0	0.0
EQUIPMENT	0.0	0.0	0.0	0.0	0.0	0.0
LAND & STRUCTURES	0.0	0.0	0.0	0.0	0.0	0.0
GRANTS, CLAIMS	0.0	0.0	0.0	0.0	0.0	0.0
MISCELLANEOUS	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL EXPENDITURES	0.0	0.0	0.0	0.0	0.0	0.0
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CHANGES IN REVENUES	0	0	0	0	0	0
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	(425.0)	(850.0)	(850.0)	(850.0)	(850.0)	(850.0)
1004 GF	0.0	0.0	0.0	0.0	0.0	0.0
1005 GF, Program Receipts	425.0	850.0	850.0	850.0	850.0	850.0
1006 GF, MHTIA	0.0	0.0	0.0	0.0	0.0	0.0
Other 1007 1/2 Receipts	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**POSITIONS:**

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of any current year (FY95) cost: \$ NONE

ANALYSIS: (Attach a separate page if necessary)

This bill establishes authority for the Child Support Enforcement Division of the Department of Revenue to establish paternity by an administrative process. CSED expects child support collections on behalf of AFDC children to increase as a result of this legislation.

AFDC applicants assign to the State the right to collect child support on behalf of AFDC children. When CSED collects child support on behalf of an AFDC child, the first \$50 per month is paid to the AFDC family. Fifty percent of the amount collected is transferred as GF Program Receipts to the AFDC component of the Assistance Payments BRU. The remainder is paid to the federal government to offset federal AFDC costs.

Prepared by: Jim Nordlund, Director Jim Nordlund, Director Phone: 261-2669  
 Director: Division of State Assistance Date: 3-7-95  
 Approved by Com: Karen Peddie, Commissioner Date: 3/6/95  
 Agency: Department of Health & Social Services

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ANALYSIS (cont.):

The GF Program Receipts transferred to the AFDC component are used in place of GF Match funds.

Assumptions:

We assume that the GF Program Receipt funds transferred from CSED to the AFDC program offset AFDC GF Match funds dollar-for-dollar.

Calculations:

CSED projects the following amounts of increased GF Program Receipts to be transferred to the AFDC Component as a result of this legislation:

FY 96: 425.0

FY 97- FY 01: 850.0 per year

# FISCAL NOTE

No. 1  
 Bill Version: SB116  
 (S) Publish Date: 3/7/95

STATE OF ALASKA  
 1995 LEGISLATIVE SESSION

Revision Date: \_\_\_\_\_ Dept. Affected: Department of Law  
 Title: ...administrative establishment of paternity and BRU: Legal Services  
establishing paternity by affidavit...child support enforcement... Component: Operations  
 Sponsor: Rules by Request of the Governor  
 Requester: Governor's Office/OMB COMPONENT SERIAL NO. 0093

**Expenditures/Revenues** (Thousands of Dollars)

OPERATING EXPENDITURES	FY 96	FY 97	FY 98	FY 99	FY 00	FY 01
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	0.0	0.0	0.0	0.0	0.0	0.0
<b>CAPITAL EXPENDITURES</b>						
<b>CHANGE IN REVENUES ( )</b>						

**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY95) cost: \$ 0.0

**POSITIONS**

FULL-TIME	0.0	0.0	0.0	0.0	0.0	0.0
PART-TIME						
TEMPORARY						

**ANALYSIS:** (Attach a separate page if necessary)

This bill would allow the Child Support Enforcement Division to administratively determine the paternity of children. The bill also amends AS 18.50.160, relating to the identification of parents on birth certificates by voluntary acknowledgement.

The bill establishes a procedure by which CSED may determine paternity administratively, without resort to the courts. Under the proposed statute changes, CSED may initiate an administrative proceeding to determine paternity upon application of the child's mother or guardian or upon application of the State of Alaska or of another state. The proceeding is initiated through service of a Notice of Paternity and Financial Responsibility, together with an administrative order requiring the parties to submit to genetic testing. Unless paternity is admitted or the alleged father fails to respond to the notice, CSED's determination of paternity will be based upon the results of the genetic testing and other evidence. In conjunction with the paternity proceeding, CSED also may establish the amount of the support obligation, which CSED is already permitted to

Prepared by: Richard I. Pegans, Director Phone: 465-3672  
 Division: Administrative Services Division Date: 3/6/95  
 Approved by Commissioner: Bruce M. Botelho, Attorney General Date: 3/6/95  
 Agency: Department of Law

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FISCAL NOTE

STATE OF ALASKA  
1995 LEGISLATIVE SESSION

BILL NO.

ANALYSIS CONTINUATION:

do under existing law.

Through an appeal process, the bill safeguards the alleged father's rights with respect to the determination of paternity. Once CSED has issued its findings of paternity, the alleged father may request a formal hearing, after which the alleged father also will be entitled to judicial review if a timely appeal is filed with the superior court.

CSED does not require the Department of Law's assistance in CSED's administrative proceedings, except in extreme circumstances. Consequently, the bill will not have a fiscal impact for the Department of Law.

APR 12 1995

TONY KNOWLES, GOVERNOR

DEPARTMENT OF REVENUE

STATE OFFICE BUILDING  
P.O. BOX 110410  
JUNEAU, ALASKA 99811-0410

April 7, 1995

The Honorable Rick Halford  
Alaska State Senate, Room 508  
State Capitol  
Juneau, Alaska 99801

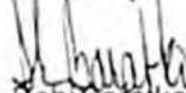
re: SB115 and SB116

Dear Senator Halford:

Enclosed please find informational "bullets" pertaining to SB 116 related to paternity establishment, and SB 115 related to the Uniform Interstate Family Support Act (UIFSA). This information is being presented in the hopes that it might clarify how these two bills will enhance child support enforcement within this State and in co-operation with other states which have implemented UIFSA.

If you desire additional information please contact Glenda Straube, Director, Child Support Enforcement Division at (907) 269-6801.

Sincerely,



Bob Baranko  
Legislative Liaison  
Department Of Revenue

Enclosure

cc: Glenda Straube, Director, Child Support Enforcement Division

6DCSTZ

## HB 244 - SB 116

This bill provides for the administrative establishment of paternity, and for paternity to be established based upon the affidavits of the child's mother, her husband, and another man who is the child's father. The benefits and important features of the bill include the following:

- Paternity cases are currently handled only by Alaska's courts. Providing for establishment of paternity by CSED will speed up the establishment and enforcement of child support orders.
- The statute allows for paternity establishment through the courts or the agency. More complicated cases will generally be referred to court.
- Administrative establishment of paternity will allow CSED to meet federal deadlines for support order establishment, assuring continued federal funding.
- Paternity may be established administratively based on the putative father's acknowledgement of paternity or based on genetic test results according to the standard set forth in AS 25.20.050.
- The administrative paternity procedures are designed to give full due process, including service of the notice of paternity and financial responsibility by formal service rules; opportunity to object to genetic test results; and availability of full administrative hearing procedures followed by opportunity for court review.
- In the case of a child born in wedlock who is not the natural child of the husband, paternity may be established by affidavit of the mother, the husband and the other man who is the father of the child. This will avoid the expense and delay of filing a paternity action where all relevant parties agree.

TONY KNOWLES  
GOVERNOR



STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

P.O. Box 110001  
Juneau, Alaska 99811-0001  
(907) 465-3500  
Fax (907) 465-3532

March 6, 1995

The Honorable Drue Pearce  
President of the Senate  
Alaska State Legislature  
State Capitol  
Juneau, AK 99801-8881

Dear President Pearce:

Under the authority of art. III, sec. 18, of the Alaska Constitution, I am transmitting a bill relating to the administrative determination of paternity by the Department of Revenue, child support enforcement division (CSED) and addressing the establishment of paternity based on voluntary acknowledgement of paternity by appropriate parties.

The bill would amend relevant portions of the laws currently found in AS 25.27 to allow CSED to administratively determine the paternity of children. The bill also amends AS 18.50.160, relating to the identification of parents on birth certificates by voluntary acknowledgement. The bill does not affect any existing court rules.

Under recent federal regulations adopted in December 1994, time frames for the establishment of paternity and support orders have been significantly shortened. In order to determine how best to meet these deadlines, CSED has reviewed the relevant Alaska statutes and its administrative procedures to identify areas that could be handled more efficiently than under the current state statutes and regulations. One such area is the determination of paternity. Under current state law, such determinations may only be made by a court.

This bill establishes a procedure by which CSED may determine paternity administratively, without resort to the courts. Under the proposed statute changes, CSED may initiate an administrative proceeding to determine paternity upon application of the child's mother or guardian or upon application of the State of Alaska or of another state. The proceeding is initiated through service of a Notice of Paternity and Financial Responsibility, together with an administrative order requiring the parties to submit to

The Honorable Drue Pearce  
March 6, 1995  
Page 2

genetic testing. Unless paternity is admitted or the alleged father fails to respond to the notice, CSED's determination of paternity will be based upon the results of the genetic testing and other evidence. In conjunction with the paternity proceeding, CSED also may establish the amount of the support obligation, which CSED is already permitted to do under existing law.

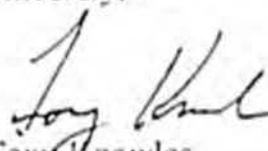
Through an appeal process, the bill safeguards the alleged father's rights with respect to the determination of paternity. Once CSED has issued its finding of paternity, the alleged father may request a formal hearing, after which the alleged father also will be entitled to judicial review if a timely appeal is filed with the superior court.

The bill amends the state law relating to the identification of parents on a child's birth certificate. The bill would allow the Bureau of Vital Statistics to enter a father's name on a child's birth certificate based on voluntary acknowledgements of paternity by the appropriate parties. If the child was born in wedlock (and, thus, the mother's husband is the legally presumed father), affidavits must be provided by the mother, her husband, and the alleged father, attesting that the husband is not the child's father and that the alleged father is the father of the child. If the child was born out of wedlock, affidavits are needed only from the mother and the alleged father, attesting that the alleged father is the child's father.

The bill also recognizes the growing use of administrative procedures in addition to or in place of judicial proceedings in the establishment of paternity and the establishment and enforcement of support orders. The changes proposed in the bill are intended to increase the efficiency of the child support enforcement process by allowing CSED and, in certain cases the parties themselves, to determine the paternity of children.

I urge prompt consideration and passage of this bill.

Sincerely,

  
Tony Knowles  
Governor

# SENATE COMMITTEE REPORT

DATE: 4/12/95

FURTHER: Finance

DATE TURNED INTO OFFICE: 4-25-95

*Finance*

Judiciary Committee considered SENATE BILL NO. 116

*PA Ter*

"An Act relating to administrative establishment of paternity and establishing paternity by affidavit; relating to child support enforcement; and providing for an effective date."

*phi for*

and recommends:

be replaced with \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)

adopt previous \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)

attached amendment(s)

adopt Letter of Intent by \_\_\_\_\_ Committee

further referral to the \_\_\_\_\_ Committee

Senate Bill:

same title

new title

House Bill:

same title

technical change

new: SCR\* \_\_\_\_\_

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	DNP	AM
<i>Lyle Green</i>	<input checked="" type="checkbox"/>				
<i>My Ellis</i>	<input checked="" type="checkbox"/>				
<i>Mike Miller</i>	<input checked="" type="checkbox"/>				
<i>Al Adams</i>	<input checked="" type="checkbox"/>				
CHAIR: <i>Chris L. Taylor</i>			<input checked="" type="checkbox"/>		

**NEW FISCAL NOTE(S):**

Department                      Date    Zero    Fiscal

Department	Date	Zero	Fiscal

**PREVIOUS FISCAL NOTE(S):\***

Department                      Date    Zero    Fiscal

Department	Date	Zero	Fiscal
<i>HSS. Vital Statistics</i>	<i>3/6/95</i>	<input checked="" type="checkbox"/>	
<i>Revenue - ESED</i>	<i>3/6/95</i>		<i>+ 341.6</i>
<i>HSS. AFDC</i>	<i>3/6/95</i>	<input checked="" type="checkbox"/>	
<i>Law</i>	<i>3/6/95</i>	<input checked="" type="checkbox"/>	

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill