

CHILD SUPPORT COMMITTEE
MEETING MINUTES
Arizona House of Representatives
1700 W. Washington, HHR-1
Phoenix, Arizona
September 12, 2008

PRESENT:

Co-Chairs

- Honorable Peter Hershberger
- Honorable Thayer Verschoor

Members:

- Honorable Manuel Alvarez
- Robert Barrasso
- Theresa Barrett
- Honorable Kimberly Corsaro
- Honorable Rebecca Rios
- Kim Gillespie
- Honorable Michael Jeanes proxy Don Vert
- Michelle Krstyen
- Ezra Loring
- Brandon Maxwell
- Bianca Varelas-Miller
- Russell Smoldon
- Honorable Colleen McNally
- Veronica Hart-Ragland
- Honorable Gilberto Figueroa

STAFF:

Kathy Sekardi
Lorraine Nevarez

Administrative Office of the Courts
Administrative Office of the Courts

CALL MEETING TO ORDER

Senator Verschoor, Co-Chair, called the meeting to order at 10:10 a.m. Co-chair Senator Verschoor welcomed the members.

APPROVAL OF MINUTES

The November 9, 2007 minutes were presented for approval.

Motion: A motion was made to approve the November 9, 2007 minutes as presented.
Seconded.

Vote: Minutes approved unanimously.

CHILD SUPPORT GUIDELINES REVIEW COMMITTEE

Honorable Bruce Cohen, Chairman of 2008 Child Support Guidelines Review Committee, presented on what the Guidelines Review Committee is doing for this quadrennial review. The Guidelines Review Committee is meeting with stakeholders to learn in advance the areas in need of improvement. The Committee has met with many stakeholders such as Superior Court judges, Clerks of Court and the State Bar Family Law Section. The Committees' goal is to make this process valuable by incorporating community comments into Committee discussions. The Child Support Guidelines Review Committee will be approaching the guidelines in terms of fairness.

The Committee has concluded that there is an *appearance* of potential unfairness in the Child Support Award. This *appearance* of unfairness seems to be viewed in situations where (1) as the income disparity between two parents grows the end result tends to look less fair compared to people with equal combined income, and (2) as we move towards equal parenting time with the disparity of income the question becomes if we are getting fair results.

The Committee will be approaching the guidelines in two phases: (1) taking the updated economic data required under the current regulations for the Committee to review in which the guidelines are based (2) reviewing a different way for us to approach child support. The Committee is assessing how to simplify the process in terms of developing a summary sheet that would have direct links to the worksheet for the different sections within the guidelines that apply.

CALL TO THE PUBLIC

No public present.

UPDATE ON DCSE PERFORMANCE MEASURE RESULTS

Veronica Hart Ragland, Assistant Director, DCSE, presented an update on the Department of Economic Security Division of Child Support Enforcement performance measures. Some of the highlights are as follows:

SFY2008:

- Good to Great “Hedgehog Concept”: Improve Data Veracity, Expedite Case Management, and Increase Collections
- Better Tools/Teaming: eCalc
- New Contracts: Central Payment Processing and Collection (“ACT”) Vendors
- Cochise County
- New Facilities: Maricopa North and South Regional Offices
- Centralized Outreach Effort: Hospital Paternity Program Conference
- Collection Efforts: Inmate Banking Accounts, MVD & Administrative Liens, FIDM, IRS Certifications, Economic Stimulus Checks, Employer Bonus Checks, Professional & Occupational Licensing Boards, Annual Round-up
- Auto Dialer System Recognized

Next Steps in SFY 2009:

- WICSEC Most Improved Program

- Knowledge Transfers: South Dakota and Texas, and Guam, Nevada and Nebraska
- DocGen
- Legislation: Cash Medical, Past Support Judgment, AHCCCS New Hire Directory & Minimum Wage Presumption Implementation
- Collections: Payment Methods, Assessment of Enforcement Practices, Insurance Settlements, State Assigned Arrears Settlement Opportunities
- Possibly privatize? Look at Employer File and National Medical Notices
- New Hire Reporting Contract
- Operations: Locate Information and Sources, Staff Preparedness, Data Management, IT Assessment, Procedural Justice Concepts, Customer Voice, Apply Six Sigma and Lean Principles

LEGISLATIVE UPDATE

Staff gave a legislative update on the bills that passed this session. They are as follows:

- HB2505 Child support; medical insurance- Amends sections A.R.S. 20-154, 25-320, 25-500. Adds sections A.R.S. 25-529
- HB227 Child support factors –Amends section A.R.S. 25-320
- HB2276 Receiving; distribution of support-Amends section A.R.S. 25-510 and Repeals section A.R.S. 25-515
- SB1013 Child support arrest warrant-Amends sections A.R.S. 14-5701 and 25-681

DISCUSSION OF MEDICAL SUPPORT REGULATIONS

Kim Gillespie, Assistant Attorney General, Attorney General’s Office, discussed the federal medical support regulations which were effective July 21, 2008 and the interplay between the federal regulations, state law, and the new cash medical support.

Medical insurance for children has been a requirement by law and has been amended every few years. The federal Deficit Reduction Act of 2005 (DRA) included changes to enhance enforcement of medical support. The costs of Title XIX Medicaid programs and AHCCCS are rising rapidly. Congress thought if enforcement of medical insurance requirements were enforced and more children were covered by private medical insurance then the cost by the tax payers would be reduced.

The Deficit Reduction Act of 2005 required the Federal Office of Child Support Enforcement to regulate enforcement. The federal government issued draft regulations in 2006 which became final this 2008 legislation session. The state is currently working on implementing these regulations.

STATUTE REVIEW WORKGROUP REPORT

Bob Barrasso, facilitator of the workgroup discussed the works in progress and the proposed legislation that are ready for a vote:

A. A.R.S. §25-807 - *Precedence of maternity and paternity proceedings*

The workgroup is concerned that results of the examiner’s report of paternity testing contain actual data of an individual’s DNA profile. The workgroup added language to

protect the confidentiality of the genetic information included on the report by having it sealed. Current law does not require this and the Clerk's Office in Maricopa County have concerns regarding the implementation of this proposed requirement. The Clerk's Office does not believe genetic testing information is sensitive data since the normal lay person would not have access to the resources to interpret the data and identify a person from the report. Therefore, this would be an extra expense to tax payers which they believe is unnecessary. The workgroup will continue to discuss the concerns and comments of the committee.

B. A.R.S. § 25-506 - *Order for assignment; foreign support order*

The workgroup discussed eliminating this statute because other statutes in existence have made this statute obsolete. There was a consensus that no one is currently using this statute.

Motion: For the Child Support Committee to approve deleting A.R.S. § 25-506 from statute. Motion passed unanimously.

C. A.R.S. § 25-505(E) - *Limited income withholding orders; definition*

The workgroup added language to the statute to for clarity of lump sum payments and specifying some of the specific areas.

Motion: For the Child Support Committee to approve the added language to A.R.S. §25-505(E). Motion passed unanimously.

D. A.R.S. § 25-819 - *New section-Title pending*

The workgroup will need to discuss whether or not both 25-819 and 25-807 are necessary as it may be possible to merge the two together. The workgroup will continue to discuss and will possibly bring proposed language to the next meeting.

E. A.R.S. § 25-320(E)(2) - *Child Support; factors; methods of payment; additional enforcement provisions; definition*

The workgroup has clarified language in the statute to require a two-prong test, namely that the child is severely mentally or physically disabled and the child is unable to live independently and be self-supporting.

Motion: For the Child Support Committee to approve the clarity of the language in A.R.S. §25-320(E)(2). Motion passed unanimously.

DISCUSS COMMENTS TO GUIDELINES REVIEW COMMITTEE

Discussion tabled to next meeting.

DEVELOP AGENDA FOR NEXT MEETING

Committee did not have any agenda items to add at this time.

NEXT MEETING

TBD

ADJOURNED

Senator Verschoor, Co-Chair, adjourned the meeting at 11:20 a.m.