

CHILD SUPPORT COMMITTEE

MEETING MINUTES – APRIL 22, 2003

**Arizona State Courts Building ~ Phoenix
1501 W. Washington, Conference Room 345**

PRESENT:

Hon. Manuel Alvarez
Kim Gillespie
Hon. Peter Hershberger
Hon. Michael Jeanes
Karen Kretschman (for David Byers)
Michelle Krysten
Ezra Loring (for Susan Gerard)

Suzanne Miles
David Norton
Hon. Rhonda L. Repp
Benidia Rice
Chuck Shipley
Hon. Monica Stauffer
Hon. Jim Waring

NOT PRESENT:

Hon. Mark Armstrong
Robert Barrasso
Hon. Bill Brotherton
Charles DiGeronimo

Kym Hull
Russell Smoldon
Bianca Varelas-Miller

STAFF:

Megan Hunter

Isabel Gillett

GUESTS:

Anna Bronnenkant
Judy Bushong
Kat Cooper
Jane McVay

Custodial Parent
Clerk of Superior Court in Maricopa County
Clerk of Superior Court in Maricopa County
Division of Child Support Enforcement

CALL MEETING TO ORDER

Rep. Hershberger

The meeting was opened by Representative Hershberger at 10:06 a.m. without a quorum present.

Two new members were introduced: Hon. Manuel Alvarez, Arizona House of Representatives, and Hon. Jim Waring, Arizona State Senate. Senator Waring was appointed to serve as the Committee co-chair.

LEGISLATIVE UPDATE

Marianne Hardy

HB 2130 – Child support transfer bill. The bill has been signed into law by the Governor.

HB2131 – Execution of judgments. Eliminated a duplicative statute. The bill was amended in the Senate with a technical change. After final passage in the House, the bill will be transmitted to the Governor.

HB 2132 – Child Support Committee bill. The bill eliminates the urban county attorney position from the committee. The bill died in the Senate, but was resurrected later as an addition to HB 2139 in conference committee. The House will hear it for final passage, then it will be transmitted to the Governor.

HB 2133 – Child support payment algorithm bill. The bill was struck in House Human Services and did not proceed further.

HB 2134 – Authorized DES to obtain credit report for both fathers and mothers. The bill went through the Senate without changes and was signed into law by the Governor.

HB 2135 – Employer request, disclosure. Combined duplicative statutes. The bill has been signed into law by the Governor without any changes from the introductory version.

COMMITTEE OVERVIEW

The Committee Overview was tabled until a future meeting when the new members can be here for the presentation.

CHILD SUPPORT IN ARIZONA 101

Benidia Rice

The Division of Child Support Enforcement is a division of the Department of Economic Security in Arizona. The agency performs locate functions, establishes paternity, child support and medical support, sets up debts and collections. Cases needing court action are coordinated with the Office of the Attorney General.

The most successful tool used to enforce support is the income withholding order. Also helpful are new hire reporting and the federal and state tax intercept programs. The agency also reviews child support orders for modifications. Support services such as fatherhood programs and the hospital paternity program are offered to clients as well.

Arizona is currently in the top five states in terms of increased collections. In 1993, \$75 million was collected; in 2002 \$254 million was collected.

The total number of paternitys established in FY02 was 14,101 representing 22% of the children needing paternity established. This figure was up from the previous year at 18%. In 2001, a record 15,852 paternitys were established. In FY02, 9,135 child support orders were established representing 29% of all cases with child support orders. The court order ratio is 64.26% (cases needing a court order compared those with a court order). The total number of cases that have received at least one payment within the calendar year was 62.7%.

The agency's current caseload is approximately 249,000 cases. Their caseload has increased significantly over the past six months. The current TANF (Temporary Assistance to Needy Families) caseload of 60,000 represents 26.3% of the total caseload; current assistance foster care cases represent less than 1% or 567 cases; former assisted caseload (most important because they are the most vulnerable) of 120,979 represents 52.4% of the total caseload; the never assisted caseload is also increasing and represents 21% of caseload or 48,000 cases.

David Levin, ATLAS Systems Development Manager and Sierra Rose, Business Systems Analyst, DCSE, provided a presentation about ATLAS, the automated system used by the agency and implemented in March, 1996. The system is currently in the final approval phase from the federal government for final certification. The system has 500 screens and is backed up every night. The system: 1) interfaces with IV-A and IV-E systems; 2) can assign cases by function, offices, cases or specific workers; 3) interfaces with the Federal Case Registry to perform data matches; 4) generates approximately 300 income withholding orders each night; 5) can seize bank accounts; 6) send automated notices to the federal government and to parents for audit purposes; and 7) generate documents.

Arizona recently received the federal Office of Child Support Enforcement award for Best Customer Service. ATLAS is owned by the State of Arizona and is a main frame system. The agency would eventually prefer to move into a web-based system.

Michael Jeanes offered to provide a presentation of the non-IV-D program to the Committee at its next meeting.

POST-SECONDARY SUPPORT WORKGROUP REPORT

Hon. Monica Stauffer

This workgroup was formed to study and review the issue of the continuation of child support after high school. The group met in person and telephonically with lively debate and both sides defended quite passionately.

The group discussed whether a parent should be ordered to assist with college tuition. Members debated constitutionality issues such as equal protection. They also reviewed other states' laws. Judge Stauffer surveyed judges statewide to solicit their input. Most judges were tilted against providing support beyond the age of emancipation but both sides were equally passionate about the reasons to be for or against it.

While the group did not reach complete consensus, two ideas were generated, as follows:

1. Voluntary agreement. Parties can voluntarily agree to college support under current law, but may be unaware that they can do so.

To alleviate the problem, language could be included in dissolution pleadings. The group focused only on a proceeding during dissolution, not paternity cases.
2. Revise the child support guidelines, extra education expenses section, to add the cost a parent provides for college support.

The cost a parent pays for college support would be added to the Basic Child Support Obligation amount, then divided between the parents based on their respective percentages of income. In effect, the party providing college support would be relieved of a portion of that expense because the other party would take on his/her portion pursuant to the income percentages. This option would be used only by parties with more than one child.

Discussion:

Chuck Shipley explained that the workgroup reached general consensus on option number one, specifically, post-secondary support should not be mandatory, but only by voluntary agreement of both parents. He further explained that the group did not reach consensus on option two and indicated that it is a backdoor way to accomplish a mandate to require a parent to support an adult past the age of emancipation.

Suzanne Miles commented that the voluntary approach affects only parents who can afford to send children to college. Other members commented that there was substantial opinion against extending child support through college when this topic was first broached in this Committee. Ordering support beyond emancipation steps into a new area of law with extremely complicated issues. Up to this point in our country's history, there has been no requirement for post-secondary education and until there is, this state should not require parents to pay for it.

Commissioner Repp pointed out that this option is already available for parents. This is a philosophical issue focused on how deeply and for how long the government should be involved in the life of a family.

Rep. Hershberger will discuss the issue with Sen. Waring prior to the next meeting.

APPROVE MINUTES

Rep. Hershberger

A quorum was reached.

MOTION: Michael Jeanes made a motion to approve the minutes of the November 19, 2002 meeting. Kim Gillespie seconded the motion. The motion was approved on a unanimous vote.

STRATEGIC PLANNING

Rep. Hershberger

Christine Powell, AOC, was with us in September and November to guide the Committee through a strategic planning process. Ms. Powell is no longer with the Court, but the group proceeded and developed an initial list of ideas for future study. A workgroup was formed to define how the Committee should proceed. Megan will send a request for volunteers to serve on the workgroup. Benidia volunteered the help of a trained strategic planner from within DCSE.

NEW BUSINESS

Rep. Hershberger

There was no new business.

PUBLIC COMMENT

No comments were offered by the public.

Rep. Hershberger

NEXT MEETING OF THE COUNCIL

The next meeting will be held June 24, 2003, 10:00 am – 2:00 pm, Arizona State Courts Building, Room 119, 1501 W. Washington, Phoenix.

Rep. Hershberger

ADJOURNMENT

The meeting was adjourned at 1:30 p.m.

Rep. Hershberger