



CHILD SUPPORT COMMITTEE

State of Arizona

2007 Annual Report

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Child Support Committee

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CHILD SUPPORT COMMITTEE 2007 ANNUAL REPORT

EXECUTIVE SUMMARY

As required by law (A.R.S. § 25-323.01), the Child Support Committee, jointly chaired by Representative Peter Hershberger and Senator Thayer Verschoor, submits to the Governor, the President of the Senate, the Speaker of the House of Representatives and the Chief Justice of the Arizona Supreme Court the following report.

The Child Support Committee (“Committee”) was created in 2002 to continue the work of its predecessor, the Child Support Coordinating Council Subcommittee. The Committee’s purpose to explore concepts for improving the child support system again proved to be successful and beneficial to Arizona’s residents as evidenced by the passage of legislative proposals designed to enhance the child support system.

The Committee was originally conceived as a forum for all system stakeholders to develop and coordinate policies and strategies to improve the child support system. The Committee’s efforts have evidenced the wisdom and importance of forging collaborative solutions. In keeping with their vision, efforts of various Committee workgroups have again produced additional recommendations intended for introduction to the Legislature in 2007.

CHILD SUPPORT COMMITTEE 2007 ANNUAL REPORT

INTRODUCTION

Historical Background

Session law establishing the original Child Support Enforcement and Domestic Relations Reform Committee grew from the work of a legislative advisory committee.

In June 1993, Senator John Greene, President of the Senate, and Representative Mark Killian, Speaker of the House of Representatives, appointed a Joint Select Committee on Child Support Enforcement, co-chaired by Senator Matt Salmon and Representative Pat Blake Wilder, with the goal of creating an effective child support system for Arizona families and children. To assist in this effort, in July 1993, the Select Committee appointed a Technical Advisory Committee co-chaired by David Byers, Administrative Director of the Courts, and Bonnie Tucker, Deputy Director of the Arizona Department of Economic Security.

The Technical Advisory Committee brought together major stakeholders in the statewide child support arena. Membership represented a cross section of program administrators, parents, judicial officers and attorneys, creating a forum for meaningful debate on the issues facing Arizona's child support enforcement system.

The Technical Advisory Committee identified various problems within the system and recommended solutions for corrective action, including identification of the agency or entity responsible for initiating implementation. Fifty-seven recommendations, of which 28 required legislative action, were developed. At the conclusion of its mission, the Committee submitted a report of its recommendations dated November 1, 1993.

In the course of deliberations, there was consensus that integrated planning and communication among all of the child support stakeholders is vital to

ensure continued improvement in the system. Thus, the first recommendation made in the Committee's report was that a child support coordinating council be formed to provide a mechanism for on-going communication and integrated planning among stakeholders to ensure consistency in child support policies.

The Technical Advisory Committee also identified a problem concerning the difficulty in understanding laws and procedures due to the lack of integration of the statutes relating to domestic relations issues. To address this problem, the Technical Advisory Committee recommended that a domestic relations reform study committee be established to consolidate, revise and modernize the domestic relations statutes.

Legislative Response

During the forty-first session, the Legislature created each of the two subcommittees proposed in the recommendations of the Technical Advisory Committee. By Laws 1994, Chapter 374, Section 24, both the Child Support Coordinating Council Subcommittee (“Council”) and the Domestic Relations Reform Study Subcommittee (“DR Subcommittee”) were established within a single overarching legislative committee called the Child Support Enforcement and Domestic Relations Reform Committee.

The Child Support Enforcement and Domestic Relations Reform Committee consisted of the four co-chairs from each of the two subordinate subcommittees. This overarching committee was established to coordinate the work of the subcommittees, but was specifically directed not to make substantive changes to the work, findings or recommendations of the two subcommittees. Any conflicts between the findings or recommendations of the subcommittees were to be referred back to the subcommittees for resolution.

Each of the subcommittees was co-chaired by a member of the Senate and a member of the House of Representatives. The enabling legislation identified the composition of each subcommittee's membership and prescribed the tasks to be undertaken. Reports were to be submitted by the subcommittees quarterly to the Child Support Enforcement and Domestic Relations Reform Committee. The overarching committee was responsible to report annually on the work, findings and recommendations of the subcommittees to the

Governor, the President of the Senate, the Speaker of the House of Representatives and the Chief Justice of the Arizona Supreme Court.

The original legislation creating the overarching committee and its subcommittees was effective July 17, 1994. That same enabling law appropriated funds to the Arizona Supreme Court for costs associated with staffing the subcommittees. In July 1994, the Arizona Supreme Court designated the Domestic Relations Division of the Administrative Office of the Courts (AOC) to provide that staff support.

The legislation that originally established the committee and its two subcommittees was scheduled for repeal from and after December 31, 1997. Provisions of law enacted in 1997 (Laws 1997, Chapters 45, 176 and 250) extended this date so that each of the subcommittees continued to serve the public until December 31, 2000. New legislation (Laws 2000, Chapter 312) repealed Laws 1994, Chapter 374, Section 24 and added A.R.S. § 25-320.01 to statute. This statute, effective as of July 18, 2000, created the committee and subcommittees by statute, rather than session law, and extended the life of the committee and the two subcommittees until July 1, 2007. The statute further specified that the Domestic Relations Reform Study Subcommittee was to meet jointly with the Child Support Coordinating Council Subcommittee at least twice each year.

Legislation passed in 2002 (Laws 2002, Chapter 332) eliminated the Child Support Enforcement and Domestic Relations Reform Committee, the Child Support Coordinating Council Subcommittee and Domestic Relations Reform Study Subcommittee. The new law created a new structure and two independent committees; the Child Support Committee (Committee) and the Domestic Relations Committee, with simplified purposes, appointments and reporting requirements and provided that the two committees will expire on January 1, 2008. However, legislation was passed in 2007 (Laws 2007, Chapter 73) which provides an extended expiration date of December 31, 2017 for these valuable and productive committees. The Court Services Division, Court Programs Unit, AOC, continues to be responsible for staffing the Committee created by this new legislation.

The new statute, A.R.S. §25-323.01, effective August 22, 2002, requires the Committee to prepare an annual report on the work, findings and recommendations regarding child support guidelines, enforcement and

related issues to the President of the Senate, Speaker of the House of Representatives, Governor and the Chief Justice of the Arizona Supreme Court each year.

This report reflects the Child Support Committee's work, findings and recommendations for the year 2007.

Membership

The session law originally enacted in 1994 outlined the membership of each subcommittee by position or category and directed how chairpersons would be appointed. In 1995, the Legislature amended this law. Chapter 44 of the Laws of 1995 altered the numbers of subcommittee members and attempted to balance political party representation of legislative members. The 1995 law also directly affected the composition of the Council.

Under the original law, the only legislative members of the Council were the two subcommittee co-chairs, one appointed from each legislative chamber. As amended, session law provided there shall be *two* members of the Senate from different political parties and *two* members of the House of Representatives, also from different political parties. As a result, two additional members, both of the minority party, were added to the Council in 1995. Co-chairperson positions were unaffected.

In 1997, the Legislature also added additional requirements of membership. An amendment (Laws 1997, Chapter 173) to the original enabling law (Laws 1994, chapter 374, section 24) provided that members of each subcommittee shall serve two-year terms at the pleasure of the official or officials who appointed them. Additionally, the law specified that the appointments shall be made at the start of each even fiscal year and that members may be re-appointed.

The new law enacted in 2002 that created the Committee did not alter its membership, but eliminated the two-year term limit. Members now serve at the pleasure of the appointing official. Appointments are made by the Governor, the President of the Senate, the Speaker of the House of Representatives and the Chief Justice of the Supreme Court.

CHILD SUPPORT COMMITTEE

2007

Summary

In 2007, as in past years, the importance of the Child Support Committee (Committee) as a recognized forum for cooperative decision making in the area of child support was reaffirmed. New strategic planning measures were formulated in 2007 through the efforts of the Statute Review Workgroup.

The Statute Review Workgroup, will offer legislative proposals for the Second Regular Session of the Forty-Eighth Legislature. The workgroup will recommend revisions to Title 25 in response to concerns regarding imputation of income for purposes of setting a child support order under the guidelines to a child support obligor whose income is unknown or who is unemployed. The workgroup will also offer a legislative proposal which addresses new technological improvements: electronic signatures or e-signatures for Child Support Arrest Warrants. Other areas of legislative reform are focused on revising new legislation to cure unintended consequences in the area of past child support arrears and interest, as well as strengthening the temporary support and parenting time statute to prevent parties from gaining custody of children without proper notice and an opportunity to be heard on an *ex parte* basis without a hearing.

The Workgroup also discussed several low-income, non-custodial parent issues after reviewing and discussing the federal Office of Child Support Enforcement's publication, *The Story Behind the Numbers, Effects of Child Support Order Amounts on Payments by Low-Income Parents*. The Workgroup continues to discuss potential areas of improvement such as employer cooperation regarding withholding orders and updating the paternity statute to remove intentional delay tactics which may be employed by one of the parties to the litigation.

As in past years, several presentations were made to the Committee throughout the year to inform them of current issues in the child support system and stimulate new ideas for system improvements. An example of these include: "Multiple-Partner Fertility: Incidence and Implications for

Child Support Policy” presentation given by Assistant Attorney General and member of the Committee, Kim Gillespie.

Executive Director of the William E. Morris Institute for Justice, Ellen Sue Katz, discussed recent legislation regarding child support policies in the Deficient Reduction Act of 2005 and Arizona’s opportunity to participate in the Child Support Pass Through program.

Veronica Hart Ragland, Assistant Director, Division of Child Support Enforcement, discussed the results of an independent evaluation that was completed for the web-based arrearage calculator tool named eCalc. The eCalc project was a collaborative effort between the Department of Child Support Enforcement, the Maricopa County Family Court, the Arizona Attorney General’s Office, and the Arizona Administrative Office of the Courts, that was implemented in 2007 for use by system stakeholders, such as, judicial officers, court staff, parents, clerks of court staff, and DCSE staff.

Arizona State University, Associate Professor of Psychology, William Fabricius, Ph.D. presented to the committee members, partial results of an on-going public opinion survey. This recent study asked four public opinion questions regarding 1) living arrangements for children; 2) custody awards based on presumptions; 3) joint custody and equal access to both parents; and 4) opinion as to whether Father’s disengagement after divorce is “almost normal.” Dr. Fabricius will report back to the committee when his final report is completed.

Membership

The session law originally establishing the Child Support Coordinating Council Subcommittee (Laws 1994, Chapter 374, Section 24) prescribed the membership composition of the Council by title or category and directed how each would be appointed. The new law enacted in 2002 that eliminated the Council and created the Child Support Committee did not alter the membership composition.

There were several changes to membership in 2007. Sadly, long-time committee member Chuck Shipley, business representative, passed away in

July 2007. Chuck Shipley served the committee with great passion and sense of service to Arizona's families.

Three members were reappointed to the committee this year by Chief Justice Ruth V. McGregor: Santa Cruz County IV-D Commissioner Kimberly Corsaro, Maricopa County Clerk of Superior Court, Michael Jeanes, and State Bar Family Law Section Executive Committee member, Robert Barrasso, from Pima County.

Honorable Norman Davis, the former Maricopa County Presiding Family Court Judge was assigned to the juvenile bench this year. Maricopa County Presiding Family Court Judge, Colleen McNally was appointed as the new urban Domestic Relations Presiding Judge. Honorable Gilberto Figueroa, Presiding Judge for Pinal County Juvenile Court and proposed Integrated Family Court Judge for the pilot program, was appointed as the rural Domestic Relations Presiding Judge, which was previously served by Honorable Monica Stauffer, Greenlee County Presiding Judge.

Senator Rebecca Rios was appointed in 2007 as was Brandon Maxwell, a non-custodial parent from Cochise County. Veronica Hart Ragland, Assistant Director, Division of Child Support Enforcement, was appointed to the committee by virtue of her position, which was previously served by Leona Hodges.

Senator Thayer Verschoor and Representative Peter Hershberger led the Committee as co-chairs. Their cooperative spirit and support of the Committee was instrumental in the passage of several key legislative proposals.

Work, Findings and Recommendations

The Child Support Committee met five times in 2007, including one joint meeting with the Domestic Relations Committee for the purpose of sharing proposed legislation ideas.

The Statute Review Workgroup met between Committee meetings to work on the tasks and objectives of the Committee. Their work product and progress was reviewed at each of the regular Committee meetings.

Significant progress was realized on important policy issues with the intent of improving the child support system for the citizens of Arizona.

Comment from the public was encouraged to assist the Committee's efforts to continually improve Arizona's child support system.

TASKS AND OBJECTIVES

Extensive work was completed in 2006 by many of the Committee's ad-hoc workgroups such as the Economic Study Workgroup, the Child Support Solutions Workgroup, and the Automation Workgroup. The Statute Review Workgroup produced all of 2007 proposed legislation for recommendation by the Child Support Committee. Listed below is a description of the major activities by Statute Review Workgroup.

Statute Review Workgroup

The Statute Review Workgroup has functioned for several years to examine particular statutes related to child support enforcement in order to identify inconsistencies, lack of clarity or unnecessary duplication and to recommend improvements.

Chaired by Robert Barrasso, the group met ten times in 2007 to develop proposals from the Committee for the 2008 session. The Committee asked the group to fine-tune language and draft statutory language that the Committee identified, in addition to generating ideas back to the Committee.

Legislation passed last session which was proposed by the workgroup permits the court to enter temporary custody orders in a paternity matter pending final determination of paternity where there is substantial evidence of paternity. After this bill was passed, a member of the public voiced a concern that non-parents may be able to gain custody of children without proper notice and an opportunity to be heard. To address this unforeseen outcome, the workgroup is proposing language this session that will clarify that until paternity has been established, no temporary support and custody orders should be entered unless both parties have received notice and have an opportunity to be heard.

The Statute Review workgroup also collaborated with the Domestic Relations Committee, Substantive Law workgroup, by identifying numerous sections within Title 25 that are inconsistent with the *Arizona Rules of Family Law Procedure*. The Substantive Law workgroup will make recommendations to the Domestic Relations Committee for legislative changes for consistent language between the identified statutes and the *Arizona Rules of Family Law Procedure*.

Recommendations for Legislative Action

The product of the Child Support Solutions Workgroup and Statute Review Workgroup resulted in several legislative proposals being recommended for passage during the Second Regular Session of the Forty-Eighth Legislature in 2008. One of the Committee co-chairs will sponsor the legislation.

Included in the 2008 legislative proposal are provisions that:

- Corrects an inconsistency in current law regarding the accrual of interest on judgments for past support.
- Allows courts to apply the new Arizona minimum wage, if appropriate, to impute income for purposes of setting a child support order under the Arizona Child Support Guidelines to a child support obligor whose income is unknown or who is unemployed.
- Clarifies that until paternity has been established, no temporary support and custody orders should be entered unless both parties have received notice and an opportunity to be heard.
- Provides for e-signatures for child support arrest warrants.

Other Issues before the Committee

Educational programs were presented to the Committee in an effort to apprise members of various child support enforcement-related efforts around the state and country.

2007 marks the year in which Arizona commences the federally-mandated quadrennial child support guideline review. In September, 2007, the Child Support Guidelines Quadrennial Review “Request for Proposals” was published which contained two phases; Phase I reflected a request for proposals for the basic review, while Phase II reflected a request for proposals that examine the level of child support that is necessary to be consistent with the twin goals of protecting child welfare and of treating both parents fairly in the allocation of the support burden between the parents. To meet this goal, a collection of data and answers are necessary in order to assist the Child Support Guideline Review Committee to evaluate systematically the fairness of any proposed child support schedule by examining a forward-looking method of calculating child support.

Future Actions

The Committee is committed to the continued exploration and development of procedures and mechanisms to enhance the delivery of child support services to the families and children of Arizona. New and existing workgroups will continue to explore issues currently under discussion, new issues that arise, and endeavor to increase public awareness of child support issues. As chartered, the Committee will maintain its important role in providing a forum for cooperative decision making and cohesive policy development among all interested stakeholders in the child support enforcement system.

APPENDIX A
TO
CHILD SUPPORT COMMITTEE
2007 ANNUAL REPORT

CHILD SUPPORT COMMITTEE

PURPOSE

Pursuant to A.R.S. § 25-323.01, effective August 22, 2002, the Child Support Committee was formed to:

Prepare an annual written report on its work, findings and recommendations regarding child support guidelines, enforcement and related issues to the Governor, President of the Senate, Speaker of the House of Representatives and Chief Justice of the Arizona Supreme Court on or before December 31 of each year and provide a copy of the report to the Secretary of State and the Director of the Arizona State Library, Archives and Public Records.

CHILD SUPPORT COMMITTEE

MEMBERSHIP

Membership consists of the following members or their designees who have knowledge of or experience in, child support enforcement and related issues:

- The Director of the Department of Economic Security or the Director's designee.
- The Assistant Director of the Division of Child Support Enforcement of the Department of Economic Security.
- A Division or Section Chief from the Office of the Attorney General who has knowledge of or experience in child support enforcement and related issues and who is appointed by the Attorney General.
- The Director of the Administrative Office of the Supreme Court, or the Director's designee.
- Two presiding judges from the Domestic Relations Division of the Superior Court who are appointed by the Chief Justice of the Supreme Court. One judge shall be from an urban county and one judge shall be from a rural county.
- A title IV-D Court Commissioner who is appointed by the Chief Justice of the Supreme Court.
- A Clerk of the Superior Court who is appointed by the Chief Justice of the Supreme Court.
- One county attorney who is appointed by the Director of the Department of Economic Security from a county that is currently contracting with the state to provide child support enforcement services.
- An Executive Assistant from the Office of the Governor who is appointed by the Governor.

- One person knowledgeable in child support issues who is a non-custodial parent and one person knowledgeable in child support issues who is a custodial parent. The President of the Senate shall appoint these members.
- One person knowledgeable in child support issues who is a non-custodial parent and one person knowledgeable in child support issues who is a custodial parent. The Speaker of the House of Representatives shall appoint these members.
- One parent knowledgeable in child support issues who has joint custody who is appointed jointly by the President of the Senate and the Speaker of the House of Representatives.
- One person from the Executive Committee of the Family Law Section of the State Bar of Arizona who is appointed by the Chief Justice of the Supreme Court.
- One person from the business community who is appointed jointly by the President of the Senate and the Speaker of the House of Representatives.
- Two members of the Senate from different political parties. The President of the Senate shall appoint the members and designate one of the members as co-chairperson.
- Two members of the House of Representatives from different political parties. The Speaker of the House of Representatives shall appoint the members and designate one of the members as co-chairperson.

CHILD SUPPORT COMMITTEE
LIST OF MEMBERS

Co-Chair: Representative Peter Hershberger

Co-Chair: Senator Thayer Verschoor

Honorable Manuel Alvarez
House of Representatives

Ezra Loring
Governor's Office

Robert Barrasso
State Bar – Family Law Section

Brandon Maxwell
Non-custodial Parent

Theresa Barrett
(Director Designee)
Administrative Office of the
Courts

Honorable Colleen McNally
Domestic Relations Judge
(Urban)

Honorable Kimberly Corsaro
IV-D Commissioner

Honorable Rebecca Rios
State Senate

Honorable Gilberto Figueroa
Domestic Relations Judge
(Rural)

Russell Smoldon
Joint Custody Parent

Kim Gillespie
Office of the Attorney General

Bianca Varelas-Miller
(Director Designee)
IV-D Deputy Director

Veronica Hart Ragland
Department of Economic
Security

Vacant - Senate
Non-custodial Parent

Honorable Michael Jeanes
Clerk of the Superior Court

Vacant - House
Custodial Parent

Michelle Krstyen
County Attorney (Rural)

Vacant - Senate
Custodial Parent

Vacant
Business Representative

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