

**CHILD SUPPORT COMMITTEE**  
**MEETING MINUTES**  
Arizona Courts Building  
1501 W. Washington, Room 345  
Phoenix, Arizona  
July 6, 2007

**PRESENT:**

**Co-Chairs**

- Honorable Peter Hershberger
- Honorable Thayer Verschoor

**Members:**

- Honorable Manuel Alvarez
- Robert Barrasso
- Theresa Barrett
- Honorable Kimberly Corsaro
- Honorable Norm Davis
- Kim Gillespie
- Honorable Michael Jeanes
- Michelle Krstyen
- Ezra Loring
- Chuck Shipley
- Russell Smoldon
- Honorable Colleen McNally
- Veronica Hart-Ragland

**STAFF:**

Kathy Sekardi	Administrative Office of the Courts
Lorraine Nevarez	Administrative Office of the Courts
Kay Radwanski	Administrative Office of the Courts

**CALL MEETING TO ORDER**

Representative Hershberger, Co-Chair, called the meeting to order at 10:15 a.m. with a quorum present. Co-Chair Hershberger introduced the new members Ms. Veronica Hart-Ragland and Honorable Colleen McNally to the committee and the members that have been reappointed are Honorable Michael Jeanes, Honorable Kimberly Corsaro and Robert Barrasso.

**APPROVAL OF MINUTES**

The September 15, 2006, December 1, 2006, and January 12, 2007 minutes were presented for approval. No discussion.

**Motion:** A motion was made to approve the September 15, 2006 minutes, December 1, 2006 and January 12, 2007 minutes as presented. Seconded.

**Vote:** Minutes approved unanimously.

**LEGISLATIVE UPDATE**

Staff gave a brief update on the 48<sup>th</sup> Legislative Session at a Glance.

- Bills posted 1434
- Bills passed 318
- Bills vetoed 22
- Bills signed 296
- Mem, Res Posted 114
- Mem, Res Passed 22
- General effective date: September 19, 2007
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The Child Support Committee proposed 3 bills which passed and the bills are as follows:

**A. HB2211-** Children: Temporary Court Orders (Amending sections 25-817, Arizona Revised Statutes; relating to maternity and paternity proceedings.)

<ul style="list-style-type: none"><li>• Allows the court to issue a temporary order regarding custody and parenting time pending a judicial determination of paternity.</li><li>• Specifies that a temporary order issued pending a judicial determination of paternity does not prejudice the rights a person or child that are adjudicated at subsequent hearings.</li><li>• Specifies that a temporary order regarding custody or parenting time may be revoked or modified, and terminates when the final order is entered or when the petition is dismissed.</li><li>• Becomes effective on September 19, 2007</li></ul>	Signed by the Governor on April 11, 2007  (Chapter 42; House Engrossed Version)
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**B. HB2214-**Domestic Relations; Social Security Numbers (Amended sections 25-314, 25-501, 25-502, 25-504, 25-806, 25-812, 25-1251 and 25-1302, Arizona Revised Statutes; relating to domestic relations.)

<ul style="list-style-type: none"><li>• Redacts social security numbers from pleadings, petitions, and documents related to child support and requires them, in some cases, to be filed separately on a sensitive data sheet.</li><li>• Requires orders of assignment to include the social security number of the obligor.</li></ul>	Signed by the Governor on May 4, 2007  (Chapter 181; House Engrossed Version.)
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<ul style="list-style-type: none"> <li>• Requires individuals who submit voluntary acknowledgements of paternity at the Court to redact the social security numbers and file them separately on a sensitive data sheet.</li> <li>• Clarifies that parties are responsible for filing Social Security Numbers on a sensitive data form and that the Courts are liable for filing the information with the state case registry.</li> <li>• Makes technical and conforming changes.</li> <li>• Effective on September 19, 2007</li> </ul>	
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**C. HB2594-Domestic Relations; Support Judgments; Interest (Amending Title 25, Chapter 5, Article 1, Arizona Revised Statutes, by adding Section 25-515; Relating to Child Support.)**

<ul style="list-style-type: none"> <li>• Specifies that interest does not accrue on past child support obligations prior to the time the child support order was issued.</li> <li>• Becomes effective on September 19, 2007.</li> </ul>	<p>Signed by the Governor on May 4, 2007. (Chapter 181; House Engrossed Version.)</p>
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Committee Comments

With regard to bill HB2594 the purpose of the bill was to not create so many barriers to collect child support. Is there a way to measure the effectiveness of this bill?

Response

The current system cannot make any direct outcome correlation between a strategy and an implementation of a policy. It is difficult to isolate for different variables. However, DCSE is creating strategies to reduce uncollected arrears.

**REPORT ON “EFFECTS OF CHILD SUPPORT ORDER AMOUNTS ON PAYMENTS BY LOW-INCOME PARENTS”**

Bob Barrasso gave a brief overview of the following article: “The Story Behind the Numbers.” This article discusses three different studies that had the same results with regard to low-income (\$10,000 income per year or less) families. This article looks at seven states and compared the child support orders to the quarterly wage files. The first study, from the 2006 Urban Institute, found that median current support orders are 83% of reported earnings for noncustodial parents with incomes up to \$10,000 per year. In contrast, it found that median current support orders are 11% of reported earnings for noncustodial parents with incomes starting at \$40,000 per year.

The second study from the 2002 Office of Inspector General (OIG) study of TANF (Temporary Assistance for Needy Families) looked at cases in 10 states and found that 40% of the noncustodial parents’ reported earnings on average. As for low-income people, noncustodial

parents with reported earnings below the poverty line, child support equaled 69% of their total income.

The last study from the Federal Office of Child Support Enforcement (OCSE) evaluated fatherhood programs in five states and found that noncustodial parents with reported earnings of \$500 per month or less, support orders averaged over 100% of their reported earnings. If participants reported earnings of \$501-\$1000 monthly their percentage ranged from 21-61% of their reported earnings.

The rest of the article discusses factors contributing to high percentage orders among low-income noncustodial parents such as (1) the structure of child support guidelines (2) income imputation and default orders, (3) retroactive support, (4) noncustodial parents owing support on multiple orders and (5) the lack of modification of orders.

Overall, this is a concern for low-income non-custodial parents who may not have the support that the custodial parent may get from the state. This is something that can be discussed further in the strategic plan. A suggestion for a solution may include the state collecting retroactively for three years and it seems it would be beneficial if the noncustodial parent could qualify for assistance.

#### Committee Comments

The idea of the noncustodial parent getting assistance would present a challenge because of the way the child support program is funded. Currently, less than 10% of the child support budget is general fund. The rest of the money is used for different resources.

Currently, the Child Enforcement Division is looking at the affects of ability to pay and looking for noncustodial parents (NCP) who may be building up arrears and trying to approach them in different ways. Currently, there are strategies being developed.

#### **UPDATE REPORT ON ECALC PROGRAM**

Veronica Hart Ragland gave an update on the ECalc Program for 2007.

#### Highlights

- 12% of cases are in paternity and 10% in establishment
- 86.14% of people were getting paternity established
- ECalc produces real time web based arrearage calculations in 100% of all the cases
- Average time to calculate using ECalc is 64% faster
- Staff has saved approximately 472 days of processing time and 3339 cases
- ECalc is 97% accurate

#### Concerns

- ECalc receives low usage
- More training is needed
- Need to address some of the issues presented by the evaluator
- Data integrity issues
- More user friendly

## Committee Comments

Who uses ECalc?

### Response

Primarily the debt workers and enforcement workers currently use ECalc; although the objective was to make the tool accessible to the judiciary, legal staff, AG's office, court staff, custodial and non-custodial parents.

What information is public information?

### Response

It requires five pieces of personal identification for security reasons.

Who enters the information into the system?

### Response

The calculator tool reads from ATLAS and the State Case Registry database. The database is maintained by the ATLAS system and the State Case Registry database is maintained by the State Disbursement Unit which is maintained by the Division of Child Support Enforcement and by the Clerks of Court.

## **STRATEGIC PLANNING TOPICS FOR 2007**

The committee brainstormed on the following topics for next session:

- Electronic issuing of civil and criminal warrants
- Administrative Process for Child Support
- Uncontested order establishment
- Updating Statutes for technology regarding electronic signatures
- Multiple partner fertility
- Impact on low income parents

## **UPDATE MEETING SCHEDULE FOR 2007**

The committee will look into the following dates for future committee meetings:

- August 24, 2007
- September 14, 2007
- October 2, 2007
- October 26, 2007
- November 9, 2007
- December 7, 2007

## **WORK GROUP REPORTS**

### **A. STATUTE REVIEW WORKGROUP**

Kim Gillespie gave a presentation on a study "Multiple-Partner Fertility: Incidence and Implications for Child Support Policy." The study looked at TANF/state assistance recipients in Wisconsin. The study researched the complexities of these different families. Some of the questions that were raised: (1) how do you deal with Child Support Guidelines (2) impacts on

marriage initiatives and (3) is there any relationships between these families. Some of the following statistics give insight to the complexities:

- 1/3 of the mothers who have two kids also have two different fathers
- 75% of mothers who had more than five kids had more than one father
- 26% of fathers only had children by one mother
- 28% had children with one mother but the mother had children with multiple fathers
- 9% had children with two or more mothers
- 37% had complications on both sides (mom & dad have other children with other partners)
- 30% of all children will spend time with a step family

The full report can be found at the following website.

<http://www.irp.wisc.edu/publications/dps/pdfs/dp130005.pdf>

The workgroup is also proposing language to Statute 25-510. The current language poses some consequences for DES. The purpose of the statute was to make it easier to receive credit when parties are in agreement. It also required that both parties sign the affidavit of direct payment. However, in the population that DCSE is dealing with, this requirement is almost impossible.

The new suggested language to the first sentence will read: “No credit against support arrearages, other than by court order, may be given without a written affidavit of direct payment signed by the person entitled to receive the support or by both the person ordered to make the support payment and the person entitled to receive the support.”

**Motion:** A motion was made to approve the proposed language for Statute 25-510 as presented. Seconded.

**Vote:** Language approved unanimously.

#### **CALL TO THE PUBLIC**

No public present.

#### **NEXT MEETING**

August 24, 2007

10:00 a.m. – 2:00 p.m.

State Courts Building, Room 119 A&B

#### **ADJOURNED**

Rep Hershberger, Co-Chair, adjourned the meeting at 12:10 p.m.