

1999 SENATE HUMAN SERVICES
SB 2170

1999 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2170

Senate Human Services Committee

Conference Committee

Hearing Date JANUARY 19, 1999

Tape Number	Side A	Side B	Meter #
1	X		
2/10/99 3	X		1,630
Committee Clerk Signature <i>Paul Kolodejchuk</i>			

Minutes:

The Senate Human Service Committee was called to order with all Senators present. The hearing on SB2170 was opened.

BARB SIEGEL, Policy Administrator with the Child Support Enforcement division within the Department of Human Services, explain the bill with written testimony and suggested amendments. SENATOR DEMERS asked who was the authorizing agent. MS. SIEGEL explained that it would be up to the discretion of the department for authorization on who would be responsible. SENATOR FISCHER asked on the subject of withholding orders, the withholding orders have now become the responsibility of the regional offices, and when we left here last session the intent was that this was to be centralized. Ms. SIEGEL answered that the law was passed so that child support program would be issuing all income withholding orders effective 7/1/99. It was prior to the date of July 1 and we needed to a determination of how this

was going to work. The decision was made to program our system and to train staff and issue policy based on the fact that the Regional offices would be issuing income withholding orders in 40 cases and the clerks would continue to issue income withholding orders in 40 cases.

SENATOR FISCHER asked if there were any funds sent down with that mandate? Ms. SIEGEL answered no. We did not put anything in our budget to do that. SENATOR DEMERS: Are you eliminating some safeguards by eliminating paperwork. M.SIEGEL: We have found that nationwide genetic labs are using the same sort of documentation; a standard practice throughout the country. There has been no problem in other districts that are using this. SENATOR THANE asked if there was legislation in the session making it not a requirement to have social security on license. It has to be on the application, but not on the license. SENATOR FISCHER asked if you had to put SS number on the application and then request that it not be displayed on you license. SENATOR DEMERS just had hers changed after the flood. Ms. Siegel stated that between 90-95 % have SS on license.

SANDY TABOR, Executive Director of the State Bar Association of ND, neither supports or opposes it, but have a technical amendment on the bill. Page 8, line 25. and, subject to the provisions of section 14-09-06.6. That section was the one that says within two years where there is an order on custody in a divorce case that it cannot be changed, modified, unless one of three things is found: 1. Persistent or willful interference on denying the invitation; 2 if the child's environment may endanger the child; 3. or if primary physical care of the child is changed to the other parent for longer than 6 months. After the two year period the court must find a significant change in circumstance. We are asking that this section be consistent with any post modifications in custody orders of the divorce case.

DOMINIC VOLESKY, Mediation Services, suggested an amendment (written testimony)

SENATOR LEE stated that the income tax return would state other sources of income should come into knowledge. SENATOR DEMERS stated this would be an and not an or. MR.

VOLESKY also wanted it stated that the addition after child's 18th birthday or until graduation from high school, whichever is later.

BETTY KEEGAN, ND Social Services, supports bill.

Opposition

SUSAN BEEHLER, Our Kids Organization, is concerned about issues this bill deals with.

Written testimony is provided and a video on how some men have been wrongly identified and made to make payments to a child support that isn't his child. SENATOR FISCHER asked who should authorize income withholding. Ms. SIEGLE: Regional office staff should do it.

SENATOR FISCHER asked about the appropriation given. No funding was the reply.

MIKE SCHWINDT, director of child's support service, stated the document that goes out to the employer says this person owes child support; we want a big chunk of it. If an order goes out and we take money and the person has another job and the second order goes out - we would be taking too much money; that bothers me. SENATOR FISCHER asked if there were any funds available to counties. Mr. SCHWINDT said it was not in the budget for this year or for next time.

The hearing on SB2170 was closed.

Mr. Nordwall sent amendments for the committee's consideration. Discussion of amendments and bill. Mr. Nordwall was called to the committee. SANDY TABOR reiterated her concern with the amendment she contributed in testimony. It would make consistency in language so

Page 4

Senate Human Services Committee

Bill/Resolution Number SB2170

Hearing Date JANUARY 19, 1999

visitation, custody, and child support would be easier to address. SENATOR DEMERS moved the amendments by state bar assoc. SENATOR LEE seconded it. Roll call vote carried 6-0-0.

Mr. NORDWALL assured SENATOR DEMERS that there would be no additional fiscal note that would accompany the amendments. SENATOR LEE moved the two amendments the Dept.

of Human Services. SENATOR KILZER seconded it. Roll call vote carried 6-0-0. SENATOR

LEE moved a DO PASS AS AMENDED. SENATOR KILZER seconded it. Roll call vote

carried 6-0-0. SENATOR KILZER will carry the bill.

FISCAL NOTE

(Return original and 13 copies)

Bill / Resolution No.: _____

Amendment to: SB 2170

Requested by Legislative Council

Date of Request: 02/17/99

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts.

Narrative:

In cases where there is past due child support, this amended bill would allow the child support enforcement agency to secure assets of an obligor to satisfy current support obligations. It is unknown how many of the 938 cases with orders that are not under income withholding, would have assets secured to satisfy these obligations. Since the amounts that could be secured are also unknown, we are unable to determine the fiscal impact to the agency. Failure to pass this amended bill may result in loss of federal funding due to non-compliance with federal regulations. This bill also would eliminate mandatory reviews of Medicaid cases, eliminate the requirement to apply for an order compelling the obligor to furnish information, and would allow income withholding orders to be served by first class mail, all of which would result in cost savings to the counties.

2. State fiscal effect in dollar amounts:

	1997-1999		1999-2001		2001-2003	
	<u>Biennium</u>		<u>Biennium</u>		<u>Biennium</u>	
	General	Special	General	Special	General	Special
	<u>Fund</u>	<u>Funds</u>	<u>Fund</u>	<u>Funds</u>	<u>Fund</u>	<u>Funds</u>
Revenues:			unknown		unknown	
Expenditures:	-0-		-0-		-0-	

3. What, if any, is the effect of this measure on the appropriation for your agency or department:

a. For rest of 1997-99 biennium:	-0-
b. For the 1999-01 biennium:	-0-
c. For the 2001-03 biennium:	-0-

4. County, City, and School District fiscal effect in dollar amounts:

	1997-1999			1999-2001			2001-2003		
	<u>Biennium</u>			<u>Biennium</u>			<u>Biennium</u>		
	<u>Counties</u>	<u>Cities</u>	<u>School Districts</u>	<u>Counties</u>	<u>Cities</u>	<u>School Districts</u>	<u>Counties</u>	<u>Cities</u>	<u>School Districts</u>
Expenditures	-0-			(112,518)			(114,853)		

If additional space is needed, attach a supplemental sheet.

Signed

Brenda M Weisz

Typed Name

Brenda M. Weisz

Date Prepared: February 19, 1999

Department

Human Services

Phone No.

328-2397

FISCAL NOTE

(Return original and 13 copies)

Bill / Resolution No.: SB 2170
 Requested by Legislative Council

Amendment to: _____
 Date of Request: 01/04/99

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts.

Narrative:

In cases where there is past due child support, this bill would allow the child support enforcement agency to secure assets of an obligor to satisfy current support obligations. It is unknown how many of the 938 cases with orders that are not under income withholding, would have assets secured to satisfy these obligations. Since the amounts that could be secured are also unknown, we are unable to determine the fiscal impact to the agency. Failure to pass this bill may result in loss of federal funding due to non-compliance with federal regulations. This bill also would eliminate mandatory reviews of Medicaid cases, eliminate the requirement to apply for an order compelling the obligor to furnish information, and would allow income withholding orders to be served by first class mail, all of which would result in cost savings to the counties.

2. State fiscal effect in dollar amounts:

	1997-1999		1999-2001		2001-2003	
	<u>Biennium</u>		<u>Biennium</u>		<u>Biennium</u>	
	General Fund	Special Funds	General Fund	Special Funds	General Fund	Special Funds
Revenues:			unknown		unknown	
Expenditures:	-0-		-0-		-0-	

3. What, if any, is the effect of this measure on the appropriation for your agency or department:

- a. For rest of 1997-99 biennium: _____ -0-
- b. For the 1999-01 biennium: _____ -0-
- c. For the 2001-03 biennium: _____ -0-

4. County, City, and School District fiscal effect in dollar amounts:

	1997-1999			1999-2001			2001-2003		
	<u>Biennium</u>			<u>Biennium</u>			<u>Biennium</u>		
	<u>Counties</u>	<u>Cities</u>	<u>School Districts</u>	<u>Counties</u>	<u>Cities</u>	<u>School Districts</u>	<u>Counties</u>	<u>Cities</u>	<u>School Districts</u>
Expenditures	-0-			(112,518)			(114,853)		

If additional space is needed, attach a supplemental sheet.

Signed Brenda M. Weisz

Typed Name Brenda M. Weisz

Date Prepared: January 15, 1999

Department Human Services

Phone No. 328-2397

Testimony of State Bar Association of ND
SB 2170
Page 2

Amendments to SB 2170:

Page 8, Line 25, after the word "support" insert the following:

and, subject to the provisions of section 14-09-06.6.

PROPOSED AMENDMENTS TO SENATE BILL NO. 2170

Page 1, line 5, replace "14-09-27" with "14-09-25"

Page 1, line 9, remove "and", replace "section" with "sections",
and after "14-09-14" insert "and 14-09-27"

Page 1, line 10, after "support" insert "and the state disburse-
ment unit; to provide an effective date; and to declare an
emergency"

Page 5, line 14, after "and" insert "be"

Page 5, remove lines 21 through 31

Page 6, remove lines 1 through 31

Page 7, replace lines 1 through 19 with:

**"14-09-09.16. Service of income withholding order on
income payor - Rights and duties of income payor.**

1. The clerk of court or the public authority shall serve the income withholding order on the income payor ~~in the manner provided for service of a summons in a civil action by first-class mail or in any other manner agreed to by the income payor,~~ and upon the obligor by first-class mail to the obligor's last known address.
2. If the obligor is subject to immediate income withholding under section 14-09-09.24, an income withholding order must be served on any known income payor within ~~five~~ two business days of the ~~issuance of the judgment or order which requires the payment of child support~~ date of receipt of information necessary to carry out income with-
holding. Subject to the provisions of section 14-09-09.17, if service of an income withholding

order has been or may have been properly made under this section, an income withholding order must be served on any subsequently identified income payor within five two business days ~~after the issuer is informed of the name and address of such an income payor of the date of receipt of information necessary to carry out income withholding.~~

3. An income withholding order may ~~also~~ be issued and served at the request of the obligor. ~~The income withholding order, upon certification by the public authority to the secretary of state and the legislative council that the secretary of the United States department of health and human services, under authority of 42 U.S.C. 666(b)(6)(A)(ii), has prescribed a standard format for notice of the order, must be in that standard format and contain only the information necessary for the income payor to comply with the withholding order. Before that certification, the income withholding order must state all of the following:~~

- ~~1.~~ 4. ~~That the obligor is properly subject to an income withholding order and that the~~ The income payor is therefore required shall withhold a stated amount, determined under section 14-09-09.30, from the obligor's income at the time the obligor is paid for transmittal to the ~~clerk of court or the public authority~~ within seven business days of the date the obligor is paid, together with a report of the date upon which the amount was withheld from the obligor's income.
- ~~2.~~ 5. ~~That the~~ The income payor may also withhold and retain an additional sum of three dollars per month from the obligor's income to cover expenses involved in transmitting payment.
- ~~3.~~ 6. ~~That the~~ The amount to be withheld, including amounts to cover expenses involved in transmitting payment, may not exceed fifty percent of the obligor's disposable income from this income payor, but a payment of an amount less than the ordered amount must be accompanied by a written calculation disclosing any of the obligor's income and disposable income which is payable by the income payor.

4. ~~7.~~ 7. ~~That the~~ The income payor shall begin withholding no later than the first payday that occurs after service of the income withholding order.
5. ~~8.~~ 8. ~~That if~~ If the income payor is served with more than one income withholding order issued under this chapter on a single obligor and the combined total amount to be paid under the income withholding orders exceeds fifty percent of the obligor's disposable income, the income payor shall withhold the maximum amount permitted, and transmit to the ~~clerk of court or the~~ public authority that portion thereof which the obligee's claim bears to the combined total of all claims.
6. ~~9.~~ 9. ~~That the~~ The income payor shall notify the clerk of court or the public authority in writing of the termination of a duty to pay income to the obligor within seven business days of the termination. The notification must include the name and address of the obligor's subsequent income payor, if known.
7. ~~10.~~ 10. ~~That if~~ If the income payor is subject to income withholding orders for more than one obligor:
- ~~a.~~ a. ~~Prior to the system implementation date, the income payor may combine in a single payment the amounts for all obligors who have been ordered to pay the same clerk of court with identification of the amount attributable to each obligor; and~~
 - ~~b.~~ b. ~~Thereafter,~~ the income payor may combine in a single payment the amounts for all obligors who have been ordered to pay the public authority with identification of the amount attributed to each obligor.
- ~~8.~~ 8. ~~That failure to comply with the income withholding order will subject the income payor to penalties provided under section 14-09-09.3.~~
- ~~9.~~ 9. ~~That the withholding order has priority over any other legal process under state law against the same wages.~~
- ~~10.~~ 10. ~~If appropriate, that the obligor is required to provide health insurance coverage for a child who is the subject of a child support order.~~

Page 7, remove lines 25 through 31

Page 8, replace lines 1 and 2 with:

"SECTION 9. AMENDMENT. Section 14-09-25 of the North Dakota Century Code is amended and reenacted as follows:

14-09-25. (Effective July 1, 1999) State disbursement unit - Duties - Continuing appropriation.

1. The public authority shall establish a state disbursement unit for the collection and disbursement of payments of child support. The state disbursement unit is responsible for the collection and disbursement of all payments under child support orders.
2. The public authority may contract with any public or private entity for any service provided by the state disbursement unit. The state disbursement unit may employ technology and agents to allow receipt of child support payments at locations and times when state disbursement unit staff are not available.
3. The state disbursement unit shall use automated procedures, electronic processes, and computer-driven technology, including the statewide automated data processing system established under section 50-09-02.1, to the maximum extent feasible, efficient, and economical, for the collection and distribution of child support payments.
4. The state disbursement unit shall account for and disburse all support payments received by it, maintain necessary records, and develop procedures for providing information to the parties, including the obligor and obligee, regarding actions taken and, at least annually, regarding child support payments collected and distributed. The state disbursement unit shall adopt procedures for the maintenance and retention of records of child support payments, and for the storage and destruction of records when the support obligation is satisfied or is terminated.
5. The state disbursement unit shall ~~establish a fund, known as the state disbursement unit fund.~~

~~All deposit all child support payments received, except those payments assigned to the state, shall be deposited into the state disbursement unit fund, and all disbursements of child support, except those payments assigned to the state, must be made from the state disbursement unit fund in the state treasury. All payments so deposited, except those payments assigned to the state, are appropriated to the public authority as a standing and continuing appropriation for the purpose of making disbursements to obligees entitled to the child support payments collected.~~

6. The state disbursement unit shall disburse collected child support payments in conformity with title IV-D of the Social Security Act [Pub. L. 93-647; 88 Stat. 2351; 42 U.S.C. 651 et seq.]. Any disbursement made in error is not a gift and must be repaid. The public authority may take any action not inconsistent with law to secure repayment of any disbursement made in error.
7. Unless notice has otherwise been provided, the state disbursement unit shall provide notice to the obligor, the obligee, and any income payor that payment must be made to the state disbursement unit."

Page 11, line 7, replace "entitys" with "entity's"

Page 15, after line 9, insert:

"SECTION 24. REPEAL. Section 14-09-27 of the North Dakota Century Code is repealed.

SECTION 25. EFFECTIVE DATE. Sections 9 and 24 of this Act are effective July 1, 1999.

SECTION 26. EMERGENCY. Sections 9 and 24 of this Act are declared to be an emergency measure."

Renumber accordingly

PROPOSED AMENDMENTS TO SENATE BILL NO. 2170

Page 1, line 1, replace the second "and" with a comma

Page 1, line 2, after "14-19" insert ", and a new section to chapter 20.1-03"

Page 1, line 3, replace the first "and" with a comma and after "entities" insert ", and technical and conforming amendments to child support laws"

Page 11, after line 15, insert:

"SECTION 18. A new section to chapter 20.1-03 of the 1997 Supplement to the North Dakota Century Code is created and enacted as follows:

Social security number to be furnished. The social security number of an applicant for any license or permit issued under this chapter must be recorded on the application unless the applicant is a foreign national to whom no social security number has been issued. A social security number recorded under this section is exempt from section 44-04-18 and section 6 of article XI of the Constitution of North Dakota."

Renumber accordingly

Date: 2/9/99
Roll Call Vote #: 2

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2170

Senate HUMAN SERVICES COMMITTEE Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Amendments

Motion Made By Sen Lee Seconded By Sen Kilzer

Senators	Yes	No	Senators	Yes	No
Senator Thane	✓				
Senator Kilzer	✓				
Senator Fischer	✓				
Senator Lee	✓				
Senator DeMers	✓				
Senator Mutzenberger	✓				

Total 6 (yes) 0 (no)

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

2 amendments by Dept. of H.S

Date: 2/9/99
Roll Call Vote #: 3

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2170

Senate HUMAN SERVICES COMMITTEE Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass as Amended

Motion Made By Sen Lee Seconded By Sen Kilzer

Senators	Yes	No	Senators	Yes	No
Senator Thane	✓				
Senator Kilzer	✓				
Senator Fischer	✓				
Senator Lee	✓				
Senator DeMers	✓				
Senator Mutzenberger	✓				

Total 6 (yes) 0 (no)

Absent 0

Floor Assignment Sen Kilzer

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2170: Human Services Committee (Sen. Thane, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (5 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2170 was placed on the Sixth order on the calendar.

Page 1, line 1, replace the second "and" with a comma

Page 1, line 2, after "14-19" insert ", and a new section to chapter 20.1-03"

Page 1, line 3, replace the first "and" with a comma and after "entities" insert ", and the recording of social security numbers on game and fish license and permit applications"

Page 1, line 5, replace "14-09-27" with "14-09-25"

Page 1, line 9, after "laws" insert "and the state disbursement unit", remove "and", replace "section" with "sections", and after "14-09-14" insert "and 14-09-27"

Page 1, line 10, after "support" insert "and to the state disbursement fund; to provide a continuing appropriation; to provide an effective date; and to declare an emergency"

Page 5, line 14, after "and" insert "be"

Page 5, line 21, after the third boldfaced period insert:

"1."

Page 5, line 25, after the period insert:

"2."

Page 6, line 2, after the period insert:

"3."

Page 6, line 10, after "~~4.~~" insert "4." and after the second "~~the~~" insert "The"

Page 6, line 11, remove the overstrike over "~~income payor~~", after "~~to~~" insert "shall", and remove the overstrike over "~~withhold a stated amount, determined under~~"

Page 6, remove the overstrike over line 12

Page 6, line 13, remove the overstrike over "~~transmittal to the~~" and remove the overstrike over "~~public authority within seven business days of~~"

Page 6, remove the overstrike over lines 14 and 15

Page 6, line 16, after "2." insert "5.", after "~~the~~" insert "The", and remove the overstrike over "~~income payor may also withhold and retain an additional sum of three~~"

Page 6, remove the overstrike over lines 17 and 18

Page 6, line 19, after "~~3.~~" insert "6.", after "~~the~~" insert "The", and remove the overstrike over "~~amount to be withheld, including amounts to cover expenses involved in~~"

Page 6, remove the overstrike over lines 20 through 23

Page 6, line 24, after "~~4.~~" insert "7.", after the first "~~the~~" insert "The", and remove the overstrike over "~~income payor shall begin withholding no later than the first payday that~~"

Page 6, remove the overstrike over line 25

Page 6, line 26, after "~~5.~~" insert "8.", after "~~if~~" insert "If", and remove the overstrike over "~~the income payor is served with more than one income withholding order~~"

Page 6, remove the overstrike over lines 27 through 29

Page 6, line 30, remove the overstrike over "~~permitted, and transmit to the~~" and remove the overstrike over "~~public authority that portion~~"

Page 6, remove the overstrike over line 31

Page 7, line 1, after "~~6.~~" insert "9.", after the first "~~the~~" insert "The", remove the overstrike over "~~income payor shall notify the~~", and remove the overstrike over "~~public authority in writing~~"

Page 7, remove the overstrike over lines 2 through 4

Page 7, line 5, after "~~7.~~" insert "10.", after "~~if~~" insert "If", and remove the overstrike over "~~the income payor is subject to income withholding orders for more than one~~"

Page 7, line 6, remove the overstrike over "~~obligor~~"

Page 7, line 11, after "~~Thereafter~~" insert an underscored comma and remove the overstrike over "~~the income payor may combine in a single payment the amounts~~"

Page 7, remove the overstrike over lines 12 and 13

Page 7, line 25, replace "14-09-27" with "14-09-25"

Page 7, replace lines 27 through 31 with:

"14-09-25. (~~Effective July 1, 1999~~) State disbursement unit - Duties - Continuing appropriation.

1. The public authority shall establish a state disbursement unit for the collection and disbursement of payments of child support. The state disbursement unit is responsible for the collection and disbursement of all payments under child support orders.
2. The public authority may contract with any public or private entity for any service provided by the state disbursement unit. The state disbursement unit may employ technology and agents to allow receipt of child support payments at locations and times when state disbursement unit staff are not available.
3. The state disbursement unit shall use automated procedures, electronic processes, and computer-driven technology, including the statewide automated data processing system established under section 50-09-02.1, to the maximum extent feasible, efficient, and economical, for the collection and distribution of child support payments.
4. The state disbursement unit shall account for and disburse all support payments received by it, maintain necessary records, and develop

procedures for providing information to the parties, including the obligor and obligee, regarding actions taken and, at least annually, regarding child support payments collected and distributed. The state disbursement unit shall adopt procedures for the maintenance and retention of records of child support payments, and for the storage and destruction of records when the support obligation is satisfied or is terminated.

5. The state disbursement unit shall ~~establish a fund, known as the state disbursement unit fund. All deposit all~~ child support payments received, ~~except those payments assigned to the state, shall be deposited into the state disbursement unit fund, and all disbursements of child support, except those payments assigned to the state, must be made from the state disbursement unit fund in the state treasury. All payments so deposited, except those payments assigned to the state, are appropriated to the public authority as a standing and continuing appropriation for the purpose of making disbursements to obligees entitled to the child support payments collected.~~
6. The state disbursement unit shall disburse collected child support payments in conformity with title IV-D of the Social Security Act [Pub. L. 93-647; 88 Stat. 2351; 42 U.S.C. 651 et seq.]. Any disbursement made in error is not a gift and must be repaid. The public authority may take any action not inconsistent with law to secure repayment of any disbursement made in error.
7. Unless notice has otherwise been provided, the state disbursement unit shall provide notice to the obligor, the obligee, and any income payor that payment must be made to the state disbursement unit."

Page 8, remove lines 1 and 2

Page 8, line 25, after "support" insert "and, subject to section 14-09-06.6" and remove the second underscored comma

Page 11, line 7, replace "entitys" with "entity's"

Page 11, after line 15, insert:

"SECTION 18. A new section to chapter 20.1-03 of the North Dakota Century Code is created and enacted as follows:


Social security number to be furnished. The social security number of an applicant for any license or permit issued under this chapter must be recorded on the application unless the applicant is a foreign national to whom no social security number has been issued. A social security number recorded under this section is exempt from section 44-04-18 and section 6 of article XI of the Constitution of North Dakota."

Page 15, after line 9, insert:

"SECTION 25. REPEAL. Section 14-09-27 of the North Dakota Century Code is repealed.

SECTION 26. EFFECTIVE DATE. Sections 9 and 25 of this Act are effective July 1, 1999.

SECTION 27. EMERGENCY. Sections 9 and 25 of this Act are declared to be an emergency measure."



Renumber accordingly

1999 HOUSE HUMAN SERVICES
SB 2170

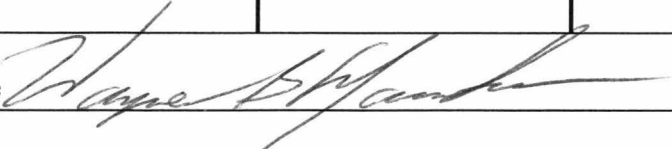
1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2170

House Human Services Committee

Conference Committee

Hearing Date March 3, 1999

Tape Number	Side A	Side B	Meter #
3	x		6.6-end
3		x	0.0-end
Committee Clerk Signature 			

Minutes:

BARBARA SIEGEL, Policy Administrator with Child Support Enforcement, Department of Human Services testified. (Testimony attached.)

Rep. AMY KLINISKE asked if there was any concern about confidentiality relative to section 5.

BARBARA SIEGEL replied that it would have to part of the discussion between the court and the employer.

Rep. SALLY SANDVIG asked if the FACSES system was fully operational. BARBARA SIEGEL: No. in conversion now and hope to be complete by May. Rep. SALLY SANDVIG asked the amount of dollar loss by being late in implementation. BARBARA SIEGEL about \$150,000 estimated net penalty for the project. Rep. SALLY SANDVIG : How will the department make the losses from penalty? BARBARA SIEGEL: The loss is a little misleading

because we chose to do the programming in house at a considerable lower cost than other states who chose to hire outside consultants to do the conversion.

Rep. AMY KLINISKE asked about the review procedures for medical assistance cases.

BARBARA SIEGEL: Medical assistance cases have to be reviewed every three years. Since the review is being done for medical they can also do a review of child support. Even without medical review the child support review can be done.

Rep. TODD PORTER asked about the income reporting off of income tax returns when the individual has remarried and the new spouse income is included on a joint tax return. In response to this and other related questions BARBARA SIEGEL provided the following information. If the obligor doesn't provide the requested income information they can get it from the tax department under state law. Regardless the income of the new spouse is not used in the review. The information is only available to the agency. Procedures are in place to insure the confidentiality of the information. Child support reviews done every three years although a review can be requested by a private party every year. The review is conducted by gathering the financial information from the non-custodial parent (generally using a 5 year averaging) and arrive at financial support amount. Adjustments are made if the financial support amount is 15% above or below the current order. The change is made effective by the courts.

OPPOSITION

SUSAN BEEHLER, unpaid lobbyist for R-Kids testified. (Testimony attached.)

In response to additional questions from the committee BARBARA SIEGEL provided some information. If the child support being paid is greater than the TANF payment to for welfare case the child support payment is collected by the agency because of the assignment of rights. If

Page 3

House Human Services Committee

Bill/Resolution Number 2170

Hearing Date March 3, 1999

the collection is in excess of the total amount of public assistance paid then the difference is given to the family.

Rep. TODD PORTER asked why the establishment of an annuity was dropped as an option. The response was that an annuity, once set up, cannot be changed and therefore cannot be reviewed.

This is against federal law.

Hearing closed on SB2170.

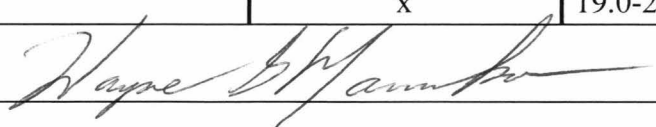
1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2170

House Human Services Committee

Conference Committee

Hearing Date March 16, 1999

Tape Number	Side A	Side B	Meter #
1		x	23.3-end
2	x		0.0-11.9
2		x	19.0-23.1
Committee Clerk Signature 			

Minutes:

BLAINE NORDWALL, North Dakota Department of Human Services, presented two proposed amendments, one relative to use of earnings statement to determine income and the other to require that medical coverage be required for a minor child.

BARBARA SIEGEL, North Dakota Department of Human Services, discussed a proposed amendment that would permit the courts to deviate from normal guidelines when the income of the custodial parent was significantly larger than the income of the obligor. The details of her discussion are in the attached letter. She was not in favor of the amendment. She feels that to provide this type of option would open a lot of court cases that would cost money and which would not produce many beneficial results.

Page 2

House Human Services Committee
Bill/Resolution Number 2170mar16
Hearing Date March 16, 1999

Rep. WILLIAM DEVLIN move to amend the bill with the amendments proposed by Mr.

NORDWALL. Rep. WANDA ROSE seconded the motion. The motion PASSED on a voice
vote: 14 YES, 0 NO, 1 ABSENT.

COMMITTEE DISCUSSION was closed and reopened later.

Rep. WILLIAM DEVLIN moved DO PASS AS AMENDED, seconded by Rep. WANDA
ROSE.

The motions PASSED on a roll call vote: 12 YES, 0 NO, 3 ABSENT.

CARRIER: Rep. TODD PORTER.

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2170

Page 1, line 6, after the first comma insert "14-09-08.10,"

Page 3, after line 8, insert:

"SECTION 4. AMENDMENT. Section 14-09-08.10 of the North Dakota Century Code is amended and reenacted as follows:

14-09-08.10. Order. Each order entered under this code for the support of a minor child or the support of a child after majority under section 14-09-08.2 must include a provision for health insurance coverage for that child.

1. Except as provided in subsection 2, the order must require the obligor to provide satisfactory health insurance coverage whenever that coverage is available at reasonable cost or becomes available at reasonable cost.
2. If the obligee is an individual with physical custody of the child, the obligee must be required to provide satisfactory health insurance whenever that coverage is available at no or nominal cost."

Renumber accordingly

Prepared by the North Dakota
Department of Human Services
3/16/99

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2170

Page 2, replace line 21 with "the obligor's , earning statements secured from the obligor's current income payor if the obligor changed employment after the end of the latest income tax year for which the obligor filed a return, and providing:"

Renumber accordingly

VR
3/17/99

HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2170 HUMSER 3/17/99

Page 1, line 6, after the first comma insert "14-09-08.10,"

HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO.2170 HUMSER 3/17/99

Page 2, line 21, after the overstruck semicolon insert ", earnings statements secured from the obligor's current income payor if the obligor changed employment after the end of the latest income tax year for which the obligor filed a return."

HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO.2170 HUMSER 3/17/99

Page 3, after line 8, insert:

"SECTION 4. AMENDMENT. Section 14-09-08.10 of the North Dakota Century Code is amended and reenacted as follows:

14-09-08.10. Order. Each order entered under this code for the support of a minor child or the support of a child after majority under section 14-09-08.2 must include a provision for health insurance coverage for that child.

1. Except as provided in subsection 2, the order must require the obligor to provide satisfactory health insurance coverage whenever that coverage is available at reasonable cost or becomes available at reasonable cost.
2. If the obligee is an individual with physical custody of the child, the obligee must be required to provide satisfactory health insurance whenever that coverage is available at no or nominal cost."

HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO.2170 HUMSER 3/17/99

Page 17, line 5, replace "9" with "10" and replace "25" with "26"

Page 17, line 7, replace "9" with "10" and replace "25" with "26"

Renumber accordingly

Date: 3/16/99
Roll Call Vote #: 5

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB2170

House Human Services Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass As Amended

Motion Made By Rep Devlin Seconded By Rep Rose

Representatives	Yes	No	Representatives	Yes	No
Clara Sue Price - Chairwoman	✓		Bruce A. Eckre		
Robin Weisz - Vice Chairman			Ralph Metcalf	✓	
William R. Devlin	✓		Carol A. Niemeier	✓	
Pat Galvin	✓		Wanda Rose	✓	
Dale L. Henegar	✓		Sally M. Sandvig	✓	
Roxanne Jensen	✓				
Amy N. Kliniske					
Chet Pollert	✓				
Todd Porter	✓				
Blair Thoreson	✓				

Total Yes 12 No 0
Absent 3

Floor Assignment Rep Porter

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2170, as engrossed: Human Services Committee (Rep. Price, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (12 YEAS, 0 NAYS, 3 ABSENT AND NOT VOTING). Engrossed SB 2170 was placed on the Sixth order on the calendar.

Page 1, line 6, after the first comma insert "14-09-08.10,"

Page 2, line 21, after the overstruck semicolon insert ", earnings statements secured from the obligor's current income payor if the obligor changed employment after the end of the latest income tax year for which the obligor filed a return,"

Page 3, after line 8, insert:

"SECTION 4. AMENDMENT. Section 14-09-08.10 of the North Dakota Century Code is amended and reenacted as follows:

14-09-08.10. Order. Each order entered under this code for the support of a minor child or the support of a child after majority under section 14-09-08.2 must include a provision for health insurance coverage for that child.

1. Except as provided in subsection 2, the order must require the obligor to provide satisfactory health insurance coverage whenever that coverage is available at reasonable cost or becomes available at reasonable cost.
2. If the obligee is an individual with physical custody of the child, the obligee must be required to provide satisfactory health insurance whenever that coverage is available at no or nominal cost."

Page 17, line 5, replace "9" with "10" and replace "25" with "26"

Page 17, line 7, replace "9" with "10" and replace "25" with "26"

Renumber accordingly

1999 SENATE HUMAN SERVICES

SB 2170

CONFERENCE COMMITTEE

1999 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2170CC

Senate Human Services Committee

Conference Committee

Hearing Date MARCH 26, 1999

Tape Number	Side A	Side B	Meter #
1	X		
Committee Clerk Signature <i>Carol Holodziejchuk</i>			

Minutes:

The conference committee meeting was called to order by SENATOR FISCHER. Roll call was taken: SENATOR FISCHER, SENATOR THANE, SENATOR MUTZENBERGER, REPRESENTATIVE DEVLIN, REPRESENTATIVE PORTER, REPRESENTATIVE ROSE. SENATOR MUTZENBERGER moved the Senate accede to the House amendments. REPRESENTATIVE PORTER seconded it. The roll call vote was 5-0-1 and held open for SENATOR THANE making the final vote 6-0-0. SENATOR KILZER will carry the bill. The conference committee was adjourned.

Date 3/26/99

Roll call vote # 1

Please type or use black pen to complete

1997 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. SB 2170

Senate _____ Committee _____

Subcommittee on _____ (Identify or

Conference Committee Human Services (check where appropriate)

Legislative Council Amendment Number _____

Action Taken _____

Motion Made By Sen Mutzenberger Seconded By Rep Porter

Senators	Yes	No	Representatives	Yes	No
<u>Fischer</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Blentler</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>Hase</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Porter</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>Mutzenberger</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<u>Rose</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
_____	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	<input type="checkbox"/>	<input type="checkbox"/>	_____	<input type="checkbox"/>	<input type="checkbox"/>

Total 6 0
(Yes) (No)

Absent 0

Floor Assignment Sen Kilgus

If the vote is on an amendment, briefly indicate intent:

DO NOT USE HIGHLIGHTER ON ANY FORMS

(Bill Number) SB 2170 (, as (re)engrossed):

Your Conference Committee

For the Senate:

For the House:

Sen Fischer
Sen Shane
Sen Mutzenberger

Rep Dentler
Rep Porter
Rep Rose

[X] recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)
the (Senate/House) amendments on (SJ/HJ) page(s) _____ - _____

[X] and place 2170 on the Seventh order.

[] , adopt (further) amendments as follows, and place
_____ on the Seventh order:

[] having been unable to agree, recommends that the committee be discharged
and a new committee be appointed.

((Re)Engrossed) _____ was placed on the Seventh order of business on the
calendar.

DATE: 3/26/99
CARRIER: Sen Kilger
LC NO. 98218 . 0202 of amendment
LC NO. 98218 . 0200 of engrossment
Emergency clause added or deleted _____
Statement of purpose of amendment _____

(1) LC (2) LC (3) DESK (4) COMM.

Insert LC: .

REPORT OF CONFERENCE COMMITTEE

SB 2170, as engrossed: Your conference committee (Sens. Fischer, Thane, Mutzenberger and Reps. Devlin, Porter, Rose) recommends that the **SENATE ACCEDE** to the House amendments on SJ page 798 and place SB 2170 on the Seventh order.

Engrossed SB 2170 was placed on the Seventh order of business on the calendar.

1999 TESTIMONY
SB 2170

To: Senate Human Services Committee

Amendment to Senate Bill 2170 (January 19, 1999)

page two, line twenty-five, add after "review" and

add subsection 1.c. to 14-09-08.6 Earnings statements from the obligor's income payor when the
obligor has changed ^{*employment status*} ~~jobs~~ after the ending date of the latest income tax return

page three add after "child's eighteenth birthday" or until graduation from high school,
whichever is later

or as an alternative change "child's eighteenth birthday" in line ten to child's nineteenth birthday

submitted by:
Dominic Volesky
Mediation Services

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES

STATE CAPITOL - JUDICIAL WING
600 E BOULEVARD AVE DEPT 325
BISMARCK, NORTH DAKOTA 58505-0250



Carol K. Olson, Executive Director

Edward T. Schafer, Governor

February 4, 1999

The Honorable Russell T. Thane
Chairman, Senate Human Services Comm.
North Dakota State Senator
State Capitol
Bismarck, ND 58505

RE: S.B. 2170

Dear Senator Thane:

Staff of the department have just identified another amendment to the federal child support law, at 42 U.S.C. 666(a)(13)(A), as amended by section 5536 of the Balanced Budget Act of 1997, Pub. L. 105-33. In relevant part, the federal law now provides:

666. Requirements of statutorily prescribed procedures to improve effectiveness of child support enforcement

(a) Types of Procedures Required

In order to satisfy . . . [Title IV-D state plan requirements], each State must have in effect laws requiring the use of the following procedures, consistent with this section and with the regulations of the Secretary, to increase the effectiveness of the program which the State administers under . . . [Title IV-D]:

* * * *

(13) Recording of social security numbers in certain family matters

Procedures requiring that the social security number of -

GENERAL INFORMATION	(701) 328-2310	ECONOMIC ASSISTANCE	(701) 328-2332
FAX	(701) 328-2359	EXECUTIVE OFFICE	(701) 328-2538
TDD	1-800-366-6888	FIELD SERVICES	(701) 328-2310
		PROGRAM & POLICY	(701) 328-2310

The Hon. Russell T. Thane
February 4, 1999
Page 2

(A) any applicant for a professional license, driver's license, occupational license, recreational license, or marriage license be recorded on the application

(Emphasis added.) The underscored language was adopted in 1997. Unfortunately, it escaped our attention when we prepared Senate Bill 2170.

I have drafted an amendment to Senate Bill 2170 that would conform North Dakota law to this federal requirement. We have conferred with officials of the Game and Fish Department and learned that their current practice is to seek, but not require, social security numbers. The draft amendment would require social security numbers. It would also keep those social security numbers from becoming "public records."

Staff of the Game and Fish Department pointed out that nonresident licenses are sometimes issued to individuals without social security numbers (foreign nationals). The attached draft amendments create an exception for foreign nationals to whom no social security number has been issued because it would be impossible for those individuals to furnish a social security number, and because nothing in the federal law appears intended to forbid foreign nationals from participating in recreational activities. We sought direction from the federal government concerning how to accommodate the provisions of federal law to the fact that North Dakota issues recreational licenses to individuals with no social security numbers. Federal officials verbally approved the approach used in the draft amendments, and promised to provide a follow-up letter.

I respectfully request the committee's consideration of these proposed amendments. If you or the committee have any questions, please call me at 328-4058.

Sincerely,



Blaine L. Nordwall
Director, Legal Advisory Unit

law
Enclosure
cc: Paul Schadewald, Game and Fish Dept.
Mike Schwindt

**ATTACHMENT - SB 2170
COST SAVINGS TO THE COUNTY**

SECTION 2 The elimination of 3 year reviews for Medicaid cases would provide a costs savings to the counties. To determine the savings to the counties we estimated the reviews take 48 hours per month and used a salary rate of \$26 per hour (includes fringe benefits) with a 3% inflation rate for salaries in subsequent years.

48 hours per month x \$26 per hour \$1,248 per month x 12 months = \$14,976

<u>99 Biennium</u>	1st year:		\$14,976
	2nd year:	\$14,976 + (\$14,976 x 3%)	\$15,425
	Total		<u><u>\$30,401</u></u>
<u>01 Biennium</u>	1st year:	\$15,425 + (\$15,425 x 3%)	\$15,888
	2nd year:	\$15,888 + (\$15,888 x 3%)	\$16,365
	Total		<u><u>\$32,253</u></u>

SECTION 3 This section deals with an obligor providing information concerning their income to the child support agency for a review. In cases where the obligor has not provided sufficient information, this bill would eliminate the requirement for the child support agency to apply for a court order compelling the obligor to furnish information prior to the child support agency assuming a 10% per year increase in the obligor's income. This would provide a savings in salary costs to the counties. It is estimated this requirement could apply to 150 cases per year, which takes approximately 1 hour of time per case, saving 150 hours of salary costs per year. A salary cost of \$26 per hour (includes fringe benefits) was used with a 3% inflation rate in subsequent years.

<u>99 Biennium</u>	1st year:	150 hours x \$26 per hour	\$3,900
	2nd year:	\$3,900 + (\$3,900 x 3%)	\$4,017
	Total		<u><u>\$7,917</u></u>
<u>01 Biennium</u>	1st year:	\$4,017 + (\$4,017 x 3%)	\$4,138
	2nd year:	\$4,138 + (\$4,138 x 3%)	\$4,262
	Total		<u><u>\$8,400</u></u>

SECTION 7 This section would allow income withholding orders to be served by first class mail (\$.33) rather than by certified mail (\$2.98) or by personal service (\$10 plus mileage). This would result in savings to the county for postage costs. Approximately 14,000 income withholding orders are issued each year. Since personal service is rarely used, the cost savings was calculated using the difference between first class mail and certified mail assuming no postage increase.

First Class Mail:	14,000 orders x .33	\$4,620
Certified Mail:	14,000 orders x \$2.98	\$41,720
Savings per year		<u><u>\$37,100</u></u>

Savings per Biennium: \$37,100 x 2 years = **\$74,200**

<u>TOTAL SAVINGS TO THE COUNTY</u>	99 Biennium:	\$112,518
	01 Biennium:	\$114,853



State Bar Association of North Dakota

P.O. Box 2136 BISMARCK, ND 58502 (701) 255-1404

In-State WATS 1-800-472-2685 FAX (701) 224-1621

BOARD OF GOVERNORS

President

Dann E. Greenwood
P.O. Box 1157
Dickinson, ND 58602-1157

President-Elect

Paul F. Richard
720 North 4th Street
Fargo, ND 58122

Secretary-Treasurer

Steven A. Johnson
P.O. Box 1389
Fargo, ND 58107-1389

Immediate Past President

Sarah Andrews Herman

ABA Delegate

James S. Hill

President

West Judicial District
Dale A. Thompson

President

Northeast Central Judicial District

Michael F. Daley

President

East Central Judicial District

David S. Maring

President

Southeast Judicial District

Laura Wick Loberg

President

South Central Judicial District

Lester H. Loble, II

President

Southwest Judicial District

Timothy Priebe

President

Northwest Judicial District

John J. Petrik

Dean, UND, School of Law

W. Jeremy Davis

Executive Director

Sandi Tabor

Testimony of Sandi Tabor

Executive Director

State Bar Association of North Dakota

SB 2170

While the State Bar Association of North Dakota neither supports or opposes **SB 2170**, we do have a technical amendment for the bill. On page 8, line 25, the bill adds "custody and rights of visitation" to section 14-17-17. This section provides the court with continuing jurisdiction to modify a judgment or order in a paternity action.

In 1997, the Legislature modified section 14-09-06.6 to provide some safeguards as to when post-judgment modifications of custody and visitation orders in a divorce case may be heard and the procedure for doing so. The changes were made to provide stability for the child and to slow down the revolving door to the courts. We believe those same considerations should be applied to a modification arising from a paternity action. Consequently we are requesting the Committee to consider the following amendment:

"The court has continuing jurisdiction to modify a judgment or order for future support, and, subject to the provisions of section 14-09-06.6, custody, and rights of visitation for the child."

If you have any questions, please feel free to contact either Sherry Moore at 222-4777 or myself.

**TESTIMONY BEFORE THE
SENATE HUMAN SERVICES COMMITTEE
REGARDING SENATE BILL 2170
January 19, 1999**

Chairman Thane and members of the Senate Human Services Committee, my name is Barbara Siegel. I am the Policy Administrator with the Child Support Enforcement division within the Department of Human Services.

SB 2170 was introduced at the request of the department, to provide conforming and technical amendments to child support laws. A number of the provisions are to ensure compliance with amended federal requirements, while others are to improve operations of the Child Support Enforcement program at state and regional levels. The department has also prepared amendments to improve the bill in several ways. The department's proposed amendments are attached to my testimony. I'll identify each proposed amendment when discussing the relevant section of the bill.

Some of the provisions in SB 2170 would result in a cost savings and, as such, a fiscal note has been filed.

Section 1: Conversion to a statewide fully automated child support enforcement system (FACSES) is currently underway. With this conversion, all child support payments will be coming into the State Disbursement Unit (SDU) at the state child support enforcement office, where the payments will be receipted and disbursed. The official records of the state regarding all child support payment records including amounts owed, collected, and distributed, will be maintained on FACSES (N.D.C.C. § 50-09-02.1(2)). There are times when the payment record information will be needed at a hearing. This section would authorize the clerk of court, regional child support enforcement staff, and state child support enforcement staff to certify

the content of the records in FACSES. This efficiently provides necessary information to the court. This eliminates the potentially expensive and time-consuming situation wherein an SDU employee in Bismarck would have to drive to Williston or Grand Forks to attend a 15 to 30-minute contempt hearing in order to testify regarding the arrearage balance on a case.

Section 2: This section would eliminate mandatory reviews in Medical Assistance cases. The Child Support Enforcement program provides a service called review and adjustment. Establishing child support obligations in accordance with the North Dakota Child Support Guidelines does not ensure that orders, over time, continue to meet the support standards set by the guidelines. To address this concern, orders are periodically reviewed and, if appropriate, adjusted to the guideline amount. Reviews are undertaken by regional offices when it has been at least three years since the order was entered or last reviewed. In cases in which the family entitled to support is receiving public assistance under TANF or a child enters Foster Care, the regional office initiates and completes a review even if neither party made a request. This is because the rights to support in those cases are assigned to the Department of Human Services and, in effect, the state requests the review. Presently, in cases in which the family is receiving Medical Assistance, the regional office initiates and completes a medical support review (to ensure provisions for health insurance coverage for the child exist), even if neither party made a request. This is because the medical support in those cases is also assigned to the Department of Human Services. In cases in which there is no assignment of support to the Department of Human Services, the regional office will only conduct a review upon the written request of either party. This was done in compliance with former federal requirements.

We are no longer required to conduct mandatory reviews in TANF, Foster Care, or Medical Assistance cases by federal law except in cases in which a request has

been received. We determined that it was in the children's and the state's best interests to continue to conduct mandatory reviews and did not seek any change in this area last session.

This session, we are seeking a change to reviews only in Medical Assistance cases. If Section 2 becomes law, we would no longer initiate a review in Medical Assistance cases without the request of one of the parties. We are finding the automatic selection in these particular cases is of little benefit. North Dakota has had a law (N.D.C.C. § 14-09-08.10) in place since 1989 that requires child support orders to have provisions for health insurance. Orders entered in the last 10 years usually include satisfactory health insurance provisions, and there is no need to continue to automatically review these. We would continue, of course, to review these orders upon request of a party.

We project this change will save the regional offices about \$30,000 per biennium, all county funds.

Section 3: This section would facilitate and streamline the review and adjustment process. The changes to subsection 1 would require that an obligor must provide, when providing financial information, both an income report and income tax returns. Regional offices find that if the income report is received without tax return information, that information is usually still necessary, for verification purposes, thus requiring additional time to collect that information.

Currently, when the obligor fails to provide requested financial information, the regional offices must seek a court order prior to making a determination that the obligor's income has increased at the rate of ten percent per year since the child support order under review was entered or last modified. Regional offices are having difficulty completing reviews within the six months required by federal

regulations, especially in cases where the obligor fails to provide the requested information, causing a potential compliance problem and frustrating the requesting party. The changes in subsections 2 and 3 would remove the requirement to seek the court order, thus improving the timeliness of the review process. We project this amendment will save the regional offices about \$8,000 per biennium, all county funds.

Section 4: These changes are technical in nature. For consistency in N.D.C.C. ch. 14-09, the term “payer” is changed to “payor,” and since the Child Support Enforcement program now issues income withholding orders in some cases, the term “public authority” has been added. The latter change should have been requested last session, and is simply a correction of an oversight.

Section 5: This change allows income withholding orders to be served by first-class mail, or by employer-friendly methods such as fax or other electronic methods, if agreed to by the income payor. This change was made to facilitate the income withholding process and to decrease the costs involved in serving an income withholding order on an income payor. Under the current statute, an income withholding order may be served on the income payor in the same manner required for service of a summons and complaint in a civil action, by personal service or it may be served by certified mail. Section 5 makes this change for the voluntary income withholding cases.

Section 6: This section changes the format of the income withholding order. Under the requirements of PRWORA (Personal Responsibility and Work Opportunity Reconciliation Act), states are required to use a federally-mandated income withholding order form. Amendments passed during the 1997 legislative session allowed for a transition period until the federal government, through the Secretary of the United States Department of Health and Human Services, issued the mandated

form. Since the last legislative session, the federal income withholding order form has been issued to states and has been certified to the North Dakota Secretary of State and Legislative Council. The department also recommends an amendment on page 5, line 14, to insert the word "be" after "and." This is to correct the grammar of the sentence.

Section 7: This section, as introduced, did three things.

First, it made the same change for service of income withholding orders as provided in Section 5, but applied that change to nonvoluntary orders. We project this change will save the regional offices about \$74,000 per biennium, all county funds.

Second, it shortened the time to serve income withholding orders from five days to two days. This change was required by PRWORA, should have been requested in the last session, and corrects that oversight.

Third, the contents of the income withholding order were to be removed because the federal law requires that we use a standard format.

This third aspect of Section 7 is addressed in an amendment to the bill that we would like the committee to consider. The amendment would replace amendments to section 14-09-09.16, running from page 5, line 21, through page 7, line 19, with a new set of amendments.

The department's proposed amendments would do what Section 7 of the introduced bill does, but would retain substantive law that gives directions and establishes requirements for income payors. The way the law currently reads, several critical substantive provisions of the income withholding law are expressed in the requirement of the income withholding order. They include:

1. The amount the income payor must withhold and the amount of time for remitting the amount withheld.
2. The income payor's right to deduct \$3 for processing the order.
3. A limit on the amount to be withheld.
4. The time within which the income payor must begin withholding.
5. Instructions if the income payor received more than one order concerning one individual.
6. A requirement that the income payor notify the clerk or public authority if the obligor leaves employment.
7. A provision to allow the income payor to send one check to a clerk or public authority to cover all orders.

These provisions should remain as substantive law, even though they may not appear on each income withholding order. The department's proposed amendments to subsection 7 would do that.

Section 8: These amendments are technical in nature. In the 1995 legislative session, N.D.C.C. ch. 14-12.1 (Revised Uniform Reciprocal Enforcement of Support Act) was repealed and replaced by ch. 14-12.2 (Uniform Interstate Family Support Act). Appropriate changes were not made to N.D.C.C. § 14-09-09.28 to replace citations to ch. 14-12.1 with citations to ch. 14-12.2. This section would correct that oversight.

Section 9: Section 14-09-25, as passed in the 1997 legislative session, provides for the required duties of the SDU including the disbursement of payments in conformance with federal law. Another section, 14-09-27, describes the disbursement of funds from the SDU. After filing this bill, we reviewed the interaction between these two sections and concluded the law would be more clear if these functions were described in a single section. For that reason, we have proposed an amendment to the bill.

The department's proposed amendment would amend section 14-09-25, rather than section 14-09-27, and would repeal section 14-09-27. The change would eliminate a requirement that a separate "state disbursement unit fund" be set up. Under the amendment, all child support money collected would go into the State Treasury. As before, all child support collections made on behalf of individuals would be subject to a continuing appropriation. Because existing sections 14-09-25 and 14-09-27 are scheduled to go into effect on July 1, 1999, the department's amendments include an effective date clause and an emergency clause so that the changes to section 14-09-25 and the repeal of section 14-09-27 are also effective July 1, 1999.

Section 10: Amendments in this section would allow documentation of the chain of custody of genetic specimens and the reports received from the experts at the genetic testing labs to be treated as competent evidence and admitted at trial, applying the accepted standards and practices of those genetic testing labs. Currently, some judges may require additional paperwork such as, for example, an affidavit from the phlebotomist who draws the genetic samples from the parties. Securing this additional paperwork can be time-consuming, especially if the genetic samples were drawn in another state. The amendments in this section are intended to eliminate these additional paperwork requirements.

Section 11: Amendments in this section would eliminate language allowing, in paternity cases, the purchase of an annuity in lieu of periodic payments and also eliminate language allowing the court to limit the father's liability for past due support. This conforms section 14-17-14 to 42 U.S.C. § 667(b)(2), which requires a state's child support guidelines to be applicable in any child support proceeding.

Section 12: It has come to our attention that 1995 amendments to N.D.C.C. § 14-17-17 may be causing some unintended consequences. In 1995, amendments to this section of the Uniform Parentage Act were made in order to assure that the court had continuing jurisdiction to modify any future support order. The unintended consequence may be that the amendments effectively eliminated judicial authority to modify any part of a Uniform Parentage Act order except the provisions for future support. This becomes a problem in actions such as those involving custody and visitation. For example, parties who are seeking to amend a paternity order to address visitation may be required to start a separate action under the Uniform Child Custody Jurisdiction Act. This was not the intent of the 1995 amendments. While we do not believe the 1995 amendments to section 14-17-17 negate any other authority a court might have to modify an order with respect to which it has continuing jurisdiction, this amendment will clarify this.

Sections 13, 14, 15, 16, and 17: These sections would amend N.D.C.C. ch. 14-19. This chapter, which became law in 1995, set forth laws for voluntary paternity acknowledgments and required birthing hospitals to provide the paternity acknowledgment services (at the time of the birth of a baby). In 1997, in response to a PRWORA requirement, the requirement was added that Vital Records, within the Department of Health, also provide the services. Vital Records was already playing a role in the process, by acting as a record keeper for acknowledgments.

Federal regulations have now been proposed, and we believe will be adopted, to ensure that the same procedures governing birthing hospitals also apply to other entities providing the services (Vital Records and regional child support offices). These changes would implement those regulatory requirements. In practice, we believe that Vital Records and the regional offices are already meeting these requirements, so we do not anticipate the changes will have any significant impact.

The department's proposed amendments also correct an error on page 11, line 7, replacing "entitys" with "entity's".

Section 18: This amendment would require the social security number of an applicant to be included on the application for a driver's license or instruction permit. This amendment arises from a technical amendment to PRWORA. The proposed amendment does not require the applicant's social security number to appear on the face of the license itself, only that the social security number be included on the application so that it is maintained in the files of the Department of Transportation. The requirement to collect social security numbers on other types of applications, such as marriage licenses and professional and occupational licenses, already exist in state statute.

Section 19: This amendment would require a child's social security number be included in the State Case Registry, which in North Dakota is maintained as a part of FACSES. This requirement arises from a technical amendment to PRWORA. Information from the State Case Registry is shared with the Federal Case Registry, which is used as a tool to track child support orders in all states and to locate noncustodial parents who move from state to state. Records of social security numbers are important in ensuring an accurate match of case participants; they become especially important when State Case Registry information is transmitted to the Federal Case Registry for matching with other states' child support cases.

Section 20: This amendment arises from a recent change in federal law. Since PRWORA, states have been required to have in effect laws requiring the use of procedures for conducting financial institution data matches. This includes the requirement for states to enter into agreements with financial institutions doing business in their states. The recently passed federal law allows the federal government, through the Secretary of the United States Department of Health and Human Services, to help coordinate agreements between states and multi-state financial institutions. Amendments in this bill conform to the federal law, and we welcome this assistance from the federal government. This will also be more efficient for the multi-state financial institutions. We have worked with the North Dakota Bankers' Association and, through that Association, with Norwest Corporation, to develop the amendment in Section 20.

Section 21: These amendments arise from technical amendments to PRWORA and another recent change in federal law. The federal law amendments were made to clarify "high-volume automated administrative enforcement" because it was felt the previous language was subject to misinterpretation. The amendments in this bill will conform to current federal law.

Section 22: This amendment arises from a technical amendment to PRWORA. When lump sum payments, assets held in financial institutions, and retirement funds are secured through writs of execution in cases where there is past due child support, this amendment would allow the assets to be used to satisfy any current support obligation in addition to the past due amount. The amendment in this bill will conform to current federal law.

Section 23: This section would repeal N.D.C.C. § 14-09-14. Repealing this statute simply eliminates outdated language that has been on the books since territorial days and that has been negated by court decision.

I would be happy to answer any questions you may have.

9:00 AM
2/4
Ft Lincoln

Introduced by

Senators Berg, DeMers, Fischer

Representatives R. Kelsch, Kerzman

1 A BILL for an Act to create and enact a new section to chapter 14-09 of the North Dakota
2 Century Code, relating to the distribution of collected child support; and to provide an effective
3 date.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1.** A new section to chapter 14-09 of the North Dakota Century Code is
6 created and enacted as follows:

7 **Child support arrearages - Distribution.**

8 1. If the amount of child support arrearages collected on behalf of a family that
9 formerly received assistance from the state exceeds the amount required to be
10 paid to the family for the month in which collected, the state shall distribute the
11 amount collected as follows:

12 a. For arrearages which accrued before the family received assistance from the
13 state or which accrued after the family ceased to receive assistance from the
14 state, the state shall first distribute the amount collected to the family to the
15 extent necessary to satisfy any support arrearages.

16 b. For arrearages that accrued while the family received assistance from the
17 state, the state shall pay to the federal government the federal share of the
18 amount collected and shall distribute to the family the state share of the
19 amount collected.

20 c. After the application of subdivisions a and b, the state may retain the state
21 share of the amount collected, but only to the extent necessary to reimburse
22 amounts paid to the family as assistance by the state.

23 2. The state shall treat any support arrearages collected as accruing in the following
24 order:

- 1 a. To the period after the family ceased to receive assistance.
- 2 b. To the period before the family received assistance.
- 3 c. To the period while the family was receiving assistance.

4 **SECTION 2. EFFECTIVE DATE.** This Act becomes effective on October 1, 1997. If
5 necessary, the department of human services shall seek, from appropriate federal officials,
6 authorization to implement this Act on October 1, 1997.

AMMENDENTS REQUESTED FOR BILL SB 2203

1 **REMEDY OF ERRORS**

2 1. IF AN ERROR WAS MADE BY THE STATE OR ANY ACTING
3 AGENCY IN DISPURRING THE ARREARAGE PRIOR TO
4 RECEIVING THE ASSISTANCE AND THE FAMILY NOW RECEIVES
5 ASSISTANCE, THE FAMILY MAY RECEIVE THE ARREARAGE
6 WITHOUT A DEDUCTION TO HIS/HER ASSISTANCE.

7 2. IF AN OBLIGOR or OBLIGEE BELIEVES AN ERROR WAS MADE
8 EVEN AFTER A REVIEW WAS DONE THEY MAY SEEK REMEDY
9 BY THE AUTHORITY OF THE COURT OR MEDIATION BY THE
10 REPRESENTATIVE OF THE COURT AT THE EXPENSE OF THE
11 AGENCY THAT DISPURSED THE ARREARAGE INAPPROPRIATELY.

12 3. IF AN OUPERPAYMENT IS FOUND TO HAVE BEEN MADE AND
13 PERSON RECEIVING IN GOOD FAITH TRIED TO RETURN IT BUT WAS
14 NOT ALLOWED OR ACKNOWLEDGED OR WAS TOLD TO CASH IT: THEN
15 SAID PAYMENT IS THEIRS.

16 4. NO AGENCY OR AGENT ACTING IN BEHALF OF CHILD SUPPORT
17 MAY SOLICIT A OBLIGEE TO AGREE TO PURSUE A FORMER OBLIGOR
18 FOR AN ALLEGED ARREARAGE AFTER THE CHILD OF THE ORGINAL ORDER
19 HAS TURNED 19.

20
21

22 **DEFINITION OF FEDERAL SHARE**

23
24

25 **CHANGE IN CUSTODY**

26 1. IF A CHANGE IN CUSTODY IS GRANTED AND THE PREVIOUS
27 OBLIGEE HAD RECEIVED ASSISTANCE THAT PERSON IS NOW
28 OBLIGOR AND IS LIABLE FOR CHILD SUPPORT AND ANY
29 REIMBURSEMENT TO THE STATE. THE NEW OBLIGEE IS RELEASED
30 FROM THE STATES PORTION OF THE ARREARAGE. THE NEW ORDER
31 MUST INCLUDE HOW ANY OTHER ARREARAGE IS TO BE PAID.

S. 2203
pre-assistance arrears are assigned and that collections on arrears are applied to assigned arrears until unreimbursed public assistance is satisfied. As written, SB 2203 is contrary to the federal law governing the distribution of child support collections.

However, under the federal welfare legislation, the distribution formula is changing. Effective October 1, 1997, post-assistance arrears will be paid to the family before assigned arrears are retained by the State. Pre-assistance arrears will still be assigned. In addition, the federal law has additional changes which will take effect October 1, 2000, unless Congress otherwise changes the law in response to a report it will receive concerning the effect of the 1997 change in keeping families off assistance. The changes proposed to take effect in 2000 would render pre-assistance arrears unassigned and pay unassigned arrears to the families first, essentially the changes sought in SB 2203.

In light of these proposed changes in the federal law, it appears SB 2203 may be premature. One of the reasons the distribution provisions of federal law are delayed is to give the states and counties, as well as the federal government, an opportunity to react to and budget for the reductions in retained collections. To adopt the changes proposed by SB 2203 would not only conflict with federal law in some areas but deprive North Dakota of the ability to gradually adapt to these dramatic changes in the distribution formula.

3. Unassigned Arrears: Arrears which accrue after the family no longer receives public assistance. Subsequent receipt of public assistance benefits can result in unassigned arrears becoming assigned arrears.

4. Pre-Assistance Arrears: Arrears which accrue before a family receives public assistance.

5. Post-Assistance Arrears: Arrears which accrue after the family ceases to receive public assistance.

6. Unreimbursed Public Assistance: That amount of public assistance expended on the family which is not reimbursed by child support collections. This is the limit of the claim the government has on the Assigned Arrears.

7. Retained Collections: That amount of child support collections retained by the State to offset unreimbursed public assistance.

Under SB 2203, collections on arrears would be first applied to both pre-assistance and post-assistance arrears and both would be paid to the family. **In effect, SB 2203 renders pre-assistance arrears unassigned.** SB 2203 also would require that the state's share of collections made on arrears which accrued while the family was receiving public assistance be paid to the family.

**TESTIMONY BEFORE THE
HOUSE HUMAN SERVICES COMMITTEE
REGARDING ENGROSSED SENATE BILL 2170
March 3, 1999**

Chairman Price and members of the House Human Services Committee, my name is Barbara Siegel. I am the Policy Administrator with the Child Support Enforcement division within the Department of Human Services.

SB 2170 was introduced at the request of the department, to provide conforming and technical amendments to child support laws. A number of the provisions are to ensure compliance with amended federal requirements, while others are to improve operations of the Child Support Enforcement program at state and regional levels.

Some of the provisions in SB 2170 would result in a cost savings and, as such, a fiscal note was filed.

Section 1: Conversion to a statewide fully automated child support enforcement system (FACSES) is currently underway. With this conversion, all child support payments will be coming into the State Disbursement Unit (SDU) at the state child support enforcement office, where the payments will be receipted and disbursed. The official records of the state regarding all child support payment records including amounts owed, collected, and distributed, will be maintained on FACSES (N.D.C.C. § 50-09-02.1(2)). There are times when the payment record information will be needed at a hearing. This section would authorize the clerk of court, regional child support enforcement staff, and state child support enforcement staff to certify the content of the records in FACSES. This efficiently provides necessary information to the court. It eliminates the potentially expensive and time-consuming situation wherein an SDU employee in Bismarck would have to drive to Williston or Grand Forks to attend a 15 to 30-minute contempt hearing in order to testify

regarding the arrearage balance on a case. Instead, a clerk of court or a regional office staff could provide a statement regarding the payment information as recorded on FACSES.

Section 2: This section would eliminate mandatory reviews in Medical Assistance cases. The Child Support Enforcement program provides a service called review and adjustment. Establishing child support obligations in accordance with the North Dakota Child Support Guidelines does not ensure that orders, over time, continue to meet the support standards set by the guidelines. To address this concern, orders are periodically reviewed and, if appropriate, adjusted to the guideline amount. Reviews are undertaken by regional offices when it has been at least three years since the order was entered or last reviewed. In cases in which the family entitled to support is receiving public assistance under Temporary Assistance to Needy Families (TANF) or a child enters Foster Care, the regional office initiates and completes a review even if neither party made a request. This is because the rights to support in those cases are assigned to the Department of Human Services and, in effect, the state requests the review. Presently, in cases in which the family is receiving Medical Assistance, the regional office initiates and completes a medical support review (to ensure provisions for health insurance coverage for the child exist), even if neither party made a request. This is because the medical support in those cases is also assigned to the Department of Human Services. In cases in which there is no assignment of support to the Department of Human Services, the regional office will only conduct a review upon the written request of one of the parties. This was done in compliance with former federal requirements.

We are no longer required to conduct mandatory reviews in TANF, Foster Care, or Medical Assistance cases by federal law except in cases in which a request has been received. We determined that it was in the children's and the state's best

interests to continue to conduct mandatory reviews and did not seek any change in this area last session. - *fed bill has been introduced to ~~change~~ reinstate reviews in TANF cases.*

This session, we are seeking a change to reviews only in Medical Assistance cases. If Section 2 becomes law, we would no longer initiate a review in Medical Assistance cases without the request of one of the parties. We are finding the automatic selection in these particular cases is of little benefit. North Dakota has had a law (N.D.C.C. § 14-09-08.10) in place since 1989 that requires child support orders to have provisions for health insurance. Orders entered in the last 10 years usually include satisfactory health insurance provisions, and there is no need to continue to automatically review these. We would continue, of course, to review these orders upon request of a party.

We project this change will save the regional offices about \$30,000 per biennium, all county funds.

Section 3: This section would facilitate and streamline the review and adjustment process. The changes to subsection 1 would require that an obligor must provide both an income report and income tax returns, when providing financial information. Regional offices find that if the income report is received without tax return information, that information is usually still necessary, for verification purposes, thus requiring additional time to collect that information.

Currently, when the obligor fails to provide requested financial information, the regional offices must seek a court order prior to making a determination that the obligor's income has increased at the rate of ten percent per year since the child support order under review was entered or last modified. Regional offices are having difficulty completing reviews within the six months required by federal regulations, especially in cases where the obligor fails to provide the requested

information, causing a potential compliance problem and frustrating the requesting party. The changes in subsections 2 and 3 would remove the requirement to seek the court order, thus improving the timeliness of the review process. We project this amendment will save the regional offices about \$8,000 per biennium, all county funds.

Section 4: These changes are technical in nature. For consistency in N.D.C.C. ch. 14-09, the term “payer” is changed to “payor,” and since the Child Support Enforcement program now issues income withholding orders in some cases, the term “public authority” has been added. The latter change should have been requested last session, and is simply a correction of an oversight.

Section 5: This change allows income withholding orders to be served by first-class mail, or by employer-friendly methods such as fax or other electronic methods, if agreed to by the income payor. This change was made to facilitate the income withholding process and to decrease the costs involved in serving an income withholding order on an income payor. Under the current statute, an income withholding order may be served on the income payor in the same manner required for service of a summons and complaint in a civil action, that is, it may be served by either personal service or certified mail. Section 5 makes this change for the voluntary income withholding cases.

Section 6: This section changes the format of the income withholding order. Under the requirements of PRWORA (Personal Responsibility and Work Opportunity Reconciliation Act), states are required to use a federally-mandated income withholding order form. Amendments passed during the 1997 legislative session allowed for a transition period until the federal government, through the Secretary of the United States Department of Health and Human Services, issued the mandated form. Since the last legislative session, the federal income withholding order form

has been issued to states, has been certified to the North Dakota Secretary of State and Legislative Council, and is currently in use.

Section 7: This section does three things.

First, it makes the same change for service of income withholding orders as provided in Section 5, but applies that change to nonvoluntary orders. We project this change will save the regional offices about \$74,000 per biennium, all county funds.

Second, it shortens the time to serve income withholding orders from five days to two days. This change was required by PRWORA, should have been requested in the last session, and corrects that oversight.

Third, the requirements regarding the contents of the income withholding order are removed because the federal law requires that we use a standard format. However, because some of the content requirements give direction and establish requirements for income payors, those laws are retained but are stated in a different context. The retained requirements, renumbered as subsections 4 through 10, include:

- The amount the income payor must withhold and the amount of time for remitting the amount withheld.
- The income payor's right to withhold and retain an additional \$3 for processing the order.
- A limit on the amount to be withheld.

- The time within which the income payor must begin withholding.
- Instructions if the income payor received more than one order concerning the same individual.
- A requirement that the income payor provide notification if the obligor leaves employment.
- A provision to allow the income payor to send one check to cover all orders.

Section 8: These amendments are technical in nature. In the 1995 legislative session, N.D.C.C. ch. 14-12.1 (Revised Uniform Reciprocal Enforcement of Support Act) was repealed and replaced by ch. 14-12.2 (Uniform Interstate Family Support Act). Appropriate changes were not made to N.D.C.C. § 14-09-09.28 to replace citations to ch. 14-12.1 with citations to ch. 14-12.2. This section would correct that oversight.

Sections 9, 25, 26, and 27: N.D.C.C. §14-09-25, as passed in the 1997 legislative session, provides for the required duties of the SDU including the disbursement of payments in conformance with federal law. Another section, §14-09-27, describes the disbursement of funds from the SDU. We believe the law would be more clear if these functions were described in a single section; thus, §14-09-25 would be amended under Section 9 of this bill and §14-09-27 would be repealed under Section 25.

Eliminated would be the requirement that a separate "state disbursement unit fund" be established. All child support money collected would go into the State Treasury. As before, all child support collections made on behalf of individuals would be subject to a continuing appropriation.

Because existing §14-09-25 and §14-09-27 are scheduled to go into effect on July 1, 1999, there is an effective date clause and an emergency clause so that the changes to N.D.C.C. §14-09-25 and the repeal of N.D.C.C. §14-09-27 are also effective July 1, 1999.

Section 10: Amendments in this section would allow documentation of the chain of custody of genetic specimens and the reports received from the experts at the genetic testing labs to be treated as competent evidence and admitted at trial, applying the accepted standards and practices of those genetic testing labs. Currently, some judges may require additional paperwork such as, for example, an affidavit from the phlebotomist who draws the genetic samples from the parties. Securing this additional paperwork can be time-consuming, especially if the genetic samples were drawn in another state. The amendments in this section are intended to eliminate these additional paperwork requirements, while still assuring safeguards are in place. As amended, North Dakota would still comply with nationwide standards of practice for genetic testing labs.

Section 11: Amendments in this section would eliminate language allowing, in paternity cases, the purchase of an annuity in lieu of periodic payments and also eliminate language allowing the court to limit the father's liability for past due support. This conforms N.D.C.C. § 14-17-14 to 42 U.S.C. § 667(b)(2), which requires a state's child support guidelines to be applicable in any child support proceeding.

Section 12: It has come to our attention that 1995 amendments to N.D.C.C. §14-17-17 may be causing some unintended consequences. In 1995, amendments to this section of the Uniform Parentage Act were made in order to assure that the court had continuing jurisdiction to modify any future support order. The unintended consequence may be that the amendments effectively eliminated judicial authority to modify any part of a Uniform Parentage Act order except the provisions

for future support. This becomes a problem in actions such as those involving custody and visitation. For example, parties who are seeking to amend a paternity order to address visitation may be required to start a separate action under the Uniform Child Custody Jurisdiction Act. This was not the intent of the 1995 amendments. While we do not believe the 1995 amendments to N.D.C.C. § 14-17-17 negate any other authority a court might have to modify an order with respect to which it has continuing jurisdiction, this amendment will clarify this.

Sections 13, 14, 15, 16, and 17: These sections would amend N.D.C.C. ch. 14-19. This chapter, which became law in 1995, set forth laws for voluntary paternity acknowledgments and required birthing hospitals to provide the paternity acknowledgment services (at the time of the birth of a baby). In 1997, in response to a PRWORA requirement, the requirement was added that Vital Records, within the Department of Health, also provide the services. Vital Records was already playing a role in the process, by acting as the record keeper for acknowledgments.

Federal regulations have now been proposed, and we believe will be adopted, to ensure that the same procedures governing birthing hospitals also apply to other entities providing the services (Vital Records and regional child support offices). These changes would implement those regulatory requirements. In practice, we believe that Vital Records and the regional offices are already meeting these requirements, so we do not anticipate the changes will have any significant impact.

Section 18: This amendment would require the social security number of an applicant to be included on the application for a recreational license. This amendment arises from a technical amendment to PRWORA. Upon conferring with officials of the Game and Fish Department about this requirement, they voiced concerns that non-resident licenses are sometimes issued for foreign nationals who do not have social security numbers. A good example of this is the individual from

Canada coming into North Dakota to hunt or fish for the weekend. We would not want such individuals to be denied a license because they do not possess a social security number. Therefore, this section contains language which would exempt those individuals. We received approval from the federal government to take this approach.

The social security numbers secured in applications for recreational licenses would not be public records.

Requirements to collect social security numbers on other types of applications, such as marriage licenses and professional and occupational licenses, already exist in state statute.

Section 19: This amendment would require the social security number of an applicant to be included on the application for a driver's license or instruction permit. This amendment arises from a technical amendment to PRWORA. The proposed amendment does not require the applicant's social security number to appear on the face of the license itself, only that the social security number be included on the application so that it is maintained in the files of the Department of Transportation. Social security numbers maintained by the Department of Transportation are not public records under existing law. (N.D.C.C. ch. 39-33).

As stated earlier, requirements to collect social security numbers on other types of applications, such as marriage licenses and professional and occupational licenses, already exist in state statute.

Section 20: This amendment would require a child's social security number be included in the State Case Registry, which in North Dakota is maintained as a part of FACSES. This requirement arises from a technical amendment to PRWORA.

Information from the State Case Registry is shared with the Federal Case Registry, which is used as a tool to track child support orders in all states and to locate noncustodial parents who move from state to state. Records of social security numbers are important in ensuring an accurate match of case participants; they become especially important when State Case Registry information is transmitted to the Federal Case Registry for matching with other states' child support cases.

Social security numbers maintained in the State Case Registry are not public records under existing law. (N.D.C.C. §50-06-15).

Section 21: This amendment arises from a recent change in federal law. Since the enactment of PRWORA, states have been required to have in effect laws requiring the use of procedures for conducting financial institution data matches. This includes the requirement for states to enter into agreements with financial institutions doing business in their states. The recently passed federal law allows the federal government, through the Secretary of the United States Department of Health and Human Services, to help coordinate agreements between states and multi-state financial institutions. Amendments in this bill conform to the federal law, and we welcome this assistance from the federal government. This will also be more efficient for the multi-state financial institutions. We have worked with the North Dakota Bankers' Association and, through that Association, with Norwest Corporation, to develop the amendment in Section 21.

Section 22: These amendments arise from technical amendments to PRWORA and another recent change in federal law. The federal law amendments were made to clarify "high-volume automated administrative enforcement" because it was felt the previous language was subject to misinterpretation. The amendments in this bill will conform to current federal law.

Section 23: This amendment arises from a technical amendment to PRWORA. When lump sum payments, assets held in financial institutions, and retirement funds are secured through writs of execution in cases where there is past due child support, this amendment would allow the assets to be used to satisfy any current support obligation in addition to the past due amount. The amendment in this bill will conform to current federal law.

Section 24: This section would repeal N.D.C.C. § 14-09-14. Repealing this statute simply eliminates outdated language that has been on the books since territorial days and that has been negated by court decision.

I would be happy to answer any questions you may have.

GOOD AFTERNOON REPRESENTATIVE PRICE AND MEMBERS OF THE HUMAN SERVICE COMMITTEE.

MY NAME IS SUSAN BEEHLER, I AM AN UNPAID LOBBYIST FOR R-KIDS A MOTHER OF FIVE, A CUSTODIAL PARENT, A WIFE TO A NON-CUSTODIAL PARENT AND A SMALL BUSINESS OWNER.

WE DO NOT SUPPORT SB 2170 UNLESS CORRECTIONS ARE MADE.

PAGE 1 LINE 14 THRU 19 WE FEEL THIS IS GIVING THE AGENCY A BLANK CHECK. CURRENTLY MEMBERS OF OUR GROUP DISPUTE THE ARREARAGES, THE BOOKS SO TO SPEAK OF THERE CHILD SUPPORT CASES, BOTH CUSTODIAL AND NON-CUSTODIAL HAVE DISPUTES. SOME CASES THERE IS CREDIT BALANCES WHICH IS NOT SUPPOSE TO BE ACCORDING TO LAW BUT EVEN THOUGH IT HAS BEEN BROUGHT TO THE CLERKS ATTENTION NO REMEDY IS OFFERED TO THE PARTIES INVOLVED SO THE MONEY IS SITTING SOMEWHERE, WHERE IS IT? THERE NEEDS A SYSTEM TO BE IN LAW THAT AN OBLIGEE OR OBLIGOR CAN USE WHEN THERE IS AN ERROR IN THEIR FAVOR. PAGE 7 LINE 27 GIVES A REMEDY FOR THE STATE BUT HAS FAILED TO GIVE ANY REMEDY TO THE PUBLIC. IS THIS FAIR.

I SUGGEST THIS AS SOME CORRECTION OF ERRORS:

1. IF AN ERROR WAS MADE BY THE STATE OR ANY ACTING AGENCY IN DISBURSING THE ARREARAGE PRIOR TO RECEIVING THE ASSISTANCE AND THE FAMILY NOW RECEIVES ASSISTANCE, THE FAMILY MAY RECEIVE THE ARREARAGE WITHOUT A DEDUCTION TO HIS/HER ASSISTANCE.

2. IF AN OBLIGOR OR OBLIGEE BELIEVES AN ERROR WAS MADE DURING THIS CERTIFICATION PROCESS, THEY MAY SEEK REMEDY BY THE AUTHORITY OF THE COURT OR BY A MEDIATOR, IF IT IS FOUND TO BE A ERROR THE AGENCY IS RESPONSIBLE FOR COST, OTHER WISE PARTY SEEKING REMEDY IS RESPONSBLE FOR THE COST.

3. ANY DISPURSEMENT MADE IN ERROR OVER 5 YEARS AGO BY THE AGENCY CANNOT BE COLLECTED.

4. IF A CHANGE IN CUSTODY IS GRANTED AND THE PREVIOUS OBLIGEE HAD RECEIVED ASSISSSSSTANCE THAT PERSON IS NOW THE OBLIGOR AND IS NOW LIABLE FOR CHILD SUPPORT AND ANY REIMBURSEMENT TO THE STATE. THE NEW OBLIGEE IS RELEASED FROM THE STATES PORTION OF THE ARREARAGE. THE NEW CUSTODY AND SUPPORT ORDER MUST INCLUDE HOW ANY OTHER ARREARAGE IS TO BE PAID.

5. NO AGENCY OR AGENT ACTING IN BEHALF OF CHILD SUPPORT MAY

SOLICIT A OBLIGEE TO AGREE TO PURSUE A FORMER OBLIGOR FOR AN ALLEGED ARREARAGE AFTER THE CHILD OF THE ORIGINAL ORDER HAS TURNED 19.

PAGE 2 LINES 3 AND 4 LET'S LOOK AT 50-09-06, THIS CHAPTER OF OUR CENTURY CODE ALLOWS THE STATE TO COLLECT CHILD SUPPORT TO REIMBURSE THE STATE FOR WELFARE. FIRST OFF I THINK THE ASSIGNING OF THESE RIGHTS THE RECEIPT HAS NO IDEA WHAT THEY HAVE OR OUR SIGNING AWAY. LET ME EXPLAIN. EXAMPLE GIVEN IN SPOKEN TESTIMONY.

WHAT EXACTLY IS SOMEONE DOING WHEN THEY ASSIGN THEIR RIGHTS .

RIGHTS ARE DEFINED IN THE WEBSTER DICTIONARY IN MANY WAYS *THE POWER OR PRIVILEGE TO WHICH ONE IS JUSTLY ENTITLED; AN INTANGIBLE THING; THE INTEREST THAT ONE HAS IN A PIECE OF PROPERTY; SOMETHING TO WHICH ONE HAS A JUST CLAIM.*

ASSIGN IS DEFINED *DEFINED TO TRANSFER PROPERTY TO ANOTHER.*

WE NEED TO LOOK AT THE FEDERAL MANDATE {SEE ATTACHED}

I BELIEVE A CHANGE NEEDS TO BE MADE IN HOW THE ASSIGNED SUPPORT IS SO IT IS CONSISTENT WITH WHAT NEEDS TO BE DONE BY YEAR 2000.

ALSO THERE NEEDS TO BE ACCESS TO WHAT WAS ACTUALLY ASSIGNED? AS AN OBLIGEE I SHOULD AT LEAST HAVE THE RIGHT TO KNOW WHAT THAT AMOUNT WAS AND IF ANY WAS COLLECTED. OTHERWISE WHO IS HOLDING THE AGENCY ACCOUNTABLE IF THE AMOUNT CAN NOT BE DISCLOSED. AS AN OBLIGOR YOU SHOULD ALSO BE ABLE TO KNOW HOW THE AMOUNT OWED TO THE STATE AND WHAT OF YOUR PAYMENTS WERE CREDITED TO THAT AMOUNT. NO AGENCY SHOULD HAVE THE POWER TO COLLECT MONEY BUT NOT HAVE TO DISCLOSE WHERE IT WENT.

WHAT CAN HAPPEN WHEN A MANDATORY REVIEW IS DONE?

IT CAN ROCK THE "BOAT" THE OBLIGOR AND THE OBLIGEE WHEN THEY ARE GETTING ALONG .

SCENARIO: *THE OBLIGEE HAS SINCE THEIR DIVORCE REMARRIED AND HAS A ANOTHER CHILD, THE OBLIGOR ALSO HAS DONE THE SAME. EVERYTHING SEEMS TO BE FINE. THE OBLIGOR SEES HIS CHILDREN, THE CHILD SUPPORT IS PAID. **BOOM!** THE OBLIGEE DIVORCES THE CURRENT SPOUSE, BECAUSE THE CHILD IS ONLY 3 MONTHS OLD SHE DOES NOT HAVE A JOB, SHE WAS FINANCIALLY DEPENDENT ON HIS INCOME. NOW SHE IS RECEIVING CHILD SUPPORT ONLY FROM HER FIRST EX AND THE SECOND EX HAS VANISHED. OUT OF DESPARATION SHE TURNS TO THE GOVERNMENT*

FOR FOOD STAMPS AND A TANF GRANT. THE GOVERNMENT, CHILD SUPPORT AGENCY PURSUES A MODIFICATION OF BOTH EXES, THE ONE CAN'T BE EASILY FOUND BUT HER FIRST EX IS NOW GOING TO HAVE THE CHILD SUPPORT REVIEWED. HE THINKS WHY IS SHE DOING THIS I THOUGHT WE HAD AGREED ON THE AMOUNT AND SHE HAS BEEN SO HAPPY WITH MY RELATIONSHIP WITH OUR CHILD.

BECAUSE SHE HAS "ASSIGNED" HER RIGHTS SHE HAS NO IDEA OF THE HASSLE HER FIRST "EX" IS GOING THROUGH WITH A MODIFICATION. HE THINKS WHY IS SHE DOING THIS TO ME, WHY AREN'T THEY GOING AFTER THE BABY'S FATHER. BEING THE OBLIGOR HAS REMARRIED AND HAS ANOTHER CHILD. THE OBLIGOR'S SPOUSE IS WONDERING WHY SHE HAS TO BE INVOLVED BUT THE FORM THEY GOT IN THE MAIL ASKS FOR HER INCOME. SHE THINKS WHY DO THEY NEED MY INCOME? THE LETTER IS INTIMADATING BUT WITH TALKING WITH THE ATTORNEY THEY FIND OUT ALL KINDS OF BAD THINGS COULD HAPPEN LIKE THEY COULD USE FICTIOUS SALARY INCREASES OF 10% PER YEAR. THEIR HAS NEVER BEEN NO REVIEW DONE SINCE THE DIVORCE 10 YEARS AGO, HIS INCOME DID NOT GO UP 10 % PER YEAR. WHAT IS HE GOING TO DO? THE OBLIGOR FEELS HELPLESS THE SPOUSE OF THE OBLIGOR HELPLESS. SEVERAL MONTHS LATER A DETERMINATION IS MADE HIS CHILD SUPPORT IS GOING TO GO FROM \$250 A MONTH TO \$637 HIS WIFE FREAKS OUT. HOW COULD THIS BE? WHERE ARE WE GOING TO GET THE MONEY? NOW IF THIS SPOUSE IS THE "IDEAL" SHE WILL GLADLY TAKE A PART-TIME JOB TO HELP SUPPORT HIS EX AND EVEN WRITE THE CHECK FOR IT. THIS IS NOT AN IDEAL SOCIETY. DIVORCE IS NOT BORN OUT "IDEAL" MARRIAGES. DIVORCE IS BORN OUT OF CONFLICT. NEEDLESS TO SAY THE OBLIGOR AND HIS SPOUSE IS UNDER A LITTLE STRESS AND MAY BE ANGRY. THE CHILDREN OF THESE FAMILIES MAY WANDER WHAT'S UP WITH THEIR PARENTS. IF THE SPOUSE TAKES ON THE ROLE OF THE WICKED STEPMOM HIS CHILD FROM HIS FORMER MARRIAGE COULD BE VICTIMIZED BY WEIRD MISGUIDED ANGER. MEANWHILE THE OBLIGEE HAS NO CLUE WHERE ALL THIS NEW FOUND ANGER IS COMING FROM. SHE MAY WONDER THE SYSTEM WENT AFTER HER FIRST EX AND NOT THE SECOND WHO RAN AWAY FROM HIS RESPONSIBILITIES. THE STORY CAN GO ON AND ON. WHO COULD BE HURT MOST BY THIS? THE KIDS!!! SURE THEY MIGHT HAVE MORE MONEY BUT THE RELATIONSHIP THEY ONCE HAD WITH HIS DAD MAY BE STRAINED.

UNDER THAT WONDERFUL FEDERAL MANDATE WE WENT AROUND WITH LAST LEGISLATIVE SESSION, OUR STATE HAS SOME OPTIONS ABOUT MODIFICATIONS:

1. THEY DO NOT HAVE TO BEEN MANDATORY
2. THERE IS THE OPTION OF FORGOING THE MODIFICATION PROCESS AND OPTING TO HAVE A COST OF LIVING INCREASE. GIVE THE OBLIGEES AND THE OBLIGORS THE CHOICE OF HAVING A REVIEW DON'T ROCK THE FAMILY BOAT.

HOW MUCH DOES MANDATORY REVIEWS COST US AS TAXPAYERS , WHY CAN'T WE HAVE A CHOICE ESPECIALLY SINCE THE FEDERAL GOVERNMENT HAS GIVEN US SOME OPTIONS.

Susan Beehler
(701) 663-4728
Mandan, ND



NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES

STATE CAPITOL - JUDICIAL WING
600 E BOULEVARD AVE DEPT 325
BISMARCK, NORTH DAKOTA 58505-0250



Carol K. Olson, Executive Director

Edward T. Schafer, Governor

March 4, 1999

The Honorable Robin L. Weisz
North Dakota Representative
State Capitol
600 E. Blvd. Ave.
Bismarck, ND 58505

RE: Senate Bill 2170

Dear Representative Weisz:

During my testimony to the House Human Services Committee on SB 2170, you asked that I provide you with a copy of the federal law regarding the requirements relating to the recording of social security numbers on applications for recreational licenses (Section 18 of the bill) and on applications for drivers licenses (Section 19 of the bill).

The applicable federal cite is 42 U.S.C. §666(a)(13) of which a copy is attached.

Please feel free to contact me if you have any questions or require further information (328-5494).

Sincerely,

Barbara Siegel, Policy Administrator
Child Support Enforcement

Enclosure

cc: The Honorable Clara Sue Price, Chairman
House Human Services Committee

✓ Armon Weiss, Clerk
House Human Services Committee

Executive Office, Department of Human Services

GENERAL INFORMATION	(701) 328-2310	ECONOMIC ASSISTANCE	(701) 328-2332
FAX	(701) 328-2359	EXECUTIVE OFFICE	(701) 328-2538
TDD	1-800-366-6888	FIELD SERVICES	(701) 328-2310
		PROGRAM & POLICY	(701) 328-2310

§ 666. Requirement of statutorily prescribed procedures to improve effectiveness of child support enforcement

(a) Types of procedures required

In order to satisfy section 654(20)(A) of this title, each State must have in effect laws requiring the use of the following procedures, consistent with this section and with regulations of the Secretary, to increase the effectiveness of the program which the State administers under this part:

(1)(A) Procedures described in subsection (b) of this section for the withholding from income of amounts payable as support in cases subject to enforcement under the State plan.

(B) Procedures under which the income of a person with a support obligation imposed by a support order issued (or modified) in the State before January 1, 1994, if not otherwise subject to withholding under subsection (b) of this section, shall become subject to withholding as provided in subsection (b) of this section if arrearages occur, without the need for a judicial or administrative hearing.

(2) Expedited administrative and judicial procedures (including the procedures specified in subsection (c) of this section) for establishing paternity and for establishing, modifying, and enforcing support obligations. The Secretary may waive the provisions of this paragraph with respect to one or more political subdivisions within the State on the basis of the effectiveness and timeliness of support order issuance and enforcement or paternity establishment within the political subdivision (in accordance with the general rule for exemptions under subsection (d) of this section).

(3) Procedures under which the State child support enforcement agency shall request, and the State shall provide, that for the purpose of enforcing a support order under any State plan approved under this part—

(A) any refund of State income tax which would otherwise be payable to a noncustodial parent will be reduced, after notice has been sent to that noncustodial parent of the proposed reduction and the procedures to be followed to contest it (and after full compliance with all procedural due process requirements of the State), by the amount of any overdue support owed by such noncustodial parent;

(B) the amount by which such refund is reduced shall be distributed in accordance with section 657 of this title in the case of overdue support assigned to a State pursuant to section 608(a)(3) or 671(a)(17) of this title, or, in any other case, shall be distributed, after deduction of any fees imposed by the State to cover the costs of collection, to the child or parent to whom such support is owed; and

(C) notice of the noncustodial parent's social security account number (or numbers, if he has more than one such number) and home address shall be furnished to the State agency requesting the refund offset, and to the State agency enforcing the order.

(4) Liens

Procedures under which—

(A) liens arise by operation of law against real and personal property for amounts of overdue support owed by a noncustodial parent who resides or owns property in the State; and

(B) the State accords full faith and credit to liens described in subparagraph (A) arising in another State, when the State agency, party, or other entity seeking to enforce such a lien complies with the procedural rules relating to recording or serving liens that arise within the State, except that such rules may not require judicial notice or hearing prior to the enforcement of such a lien.

(5) Procedures concerning paternity establishment

(A) Establishment process available from birth until age 18

(i) Procedures which permit the establishment of the paternity of a child at any time before the child attains 18 years of age.

(II) apply a cost-of-living adjustment to the order in accordance with a formula developed by the State; or

(III) use automated methods (including automated comparisons with wage or State income tax data) to identify orders eligible for review, conduct the review, identify orders eligible for adjustment, and apply the appropriate adjustment to the orders eligible for adjustment under any threshold that may be established by the State.

(ii) Opportunity to request review of adjustment

If the State elects to conduct the review under subclause (II) or (III) of clause (i), procedures which permit either party to contest the adjustment, within 30 days after the date of the notice of the adjustment, by making a request for review and, if appropriate, adjustment of the order in accordance with the child support guidelines established pursuant to section 667(a) of this title.

(iii) No proof of change in circumstances necessary in 3-year cycle review

Procedures which provide that any adjustment under clause (i) shall be made without a requirement for proof or showing of a change in circumstances.

(B) Proof of substantial change in circumstances necessary in request for review outside 3-year cycle

Procedures under which, in the case of a request for a review, and if appropriate, an adjustment outside the 3-year cycle (or such shorter cycle as the State may determine) under clause (i), the State shall review and, if the requesting party demonstrates a substantial change in circumstances, adjust the order in accordance with the guidelines established pursuant to section 667(a) of this title.

(C) Notice of right to review

Procedures which require the State to provide notice not less than once every 3 years to the parents subject to the order informing the parents of their right to request the State to review and, if appropriate, adjust the order pursuant to this paragraph. The notice may be included in the order.

(1) Procedures under which a State must give full faith and credit to a termination of paternity made by any other State, whether established through voluntary acknowledgment or through administrative or judicial processes.

(12) Locator information from interstate networks

Procedures to ensure that all Federal and State agencies conducting activities under this part have access to any system used by the State to locate an individual for purposes relating to motor vehicles or law enforcement.

(13) Recording of social security numbers in certain family matters

Procedures requiring that the social security number of—

(A) any applicant for a professional license, driver's license, occupational license, recreational license, or marriage license be recorded on the application;

(B) any individual who is subject to a divorce decree, support order, or paternity determination or acknowledgment be placed in the records relating to the matter; and

(C) any individual who has died be placed in the records relating to the death and be recorded on the death certificate.

For purposes of subparagraph (A), if a State allows the use of a number other than the social security number to be used on the face of the document while the social security number is kept on file at the agency, the State shall so advise any applicants.

(14) High-volume, automated administrative enforcement in interstate cases

(A) In general

Procedures under which—

NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES

STATE CAPITOL - JUDICIAL WING
600 E BOULEVARD
BISMARCK, NORTH DAKOTA 58505-0250



K. Olson, Executive Director

Edward T. Schafer, Governor

March 16, 1999

The Honorable Clara Sue Price
Chair of House Human Services
North Dakota House of Representatives
State Capitol Building
600 East Boulevard Avenue
Bismarck, ND 58505-0250

RE: HB. 2170

Dear Chairman Price and Members of the House Human Services Committee:

During a meeting yesterday with Reps. Rose, Devlin, and Porter, the Department was asked to respond to the attached proposed amendment. The amendment would provide courts with discretion to deviate from the child support guidelines if the custodial parent's income is at least three times the obligor's income.

The Department believes there are significant problems associated with the proposed amendment.

Our primary concern is that this amendment would be a departure from the current underlying premise of the child support guidelines; that is, the child support guidelines are based upon an obligor's ability to pay and the cost of supporting a child.

We also have concerns on an operational level. For example, no one has any idea of what the potential impact of this would be. Information regarding custodial parents' income is not available. In addition, while the Regional Child Support Enforcement offices would not deal with the issue directly because it would be in the child support guidelines as a criteria for deviation which is applied by the courts, that does not mean that this would be work-free for the Regional Child Support Enforcement offices. It is quite assured that more cases would need to be litigated, rather than stipulated to, and the Regional Child Support Enforcement offices would be effected by that increase in litigation.

Gathering information to determine income is costly. It is likely that when a non-custodial parent does not know what income the custodial parent has, there will be an attempt by the non-custodial parent to secure that information. This would require doing discovery. Discovery is a process that is quite technical and includes such actions as issuing subpoenas, interrogatories, demands for depositions, etc . . . Pro se is not a practical alternative when discovery is required. A likely

GENERAL INFORMATION	(701) 328-2310	ECONOMIC ASSISTANCE	(701) 328-2332
FAX	(701) 328-2359	EXECUTIVE OFFICE	(701) 328-2538
TDD	1-800-366-6888	FIELD SERVICES	(701) 328-2310
		PROGRAM & POLICY	(701) 328-2310

House Human Services Committee

March 16, 1999

Page 2

result is the custodial parent will need to hire an attorney to respond to discovery requests. A likely result for the non-custodial parent will be costly, but not productive, attorney time.

While we don't know how many cases would involve deviation under this section and suspect it would be few, it is likely that many cases would be litigated. The probable benefit is small, the probable cost is great.

Please let me know if you have any questions or require further information.

Sincerely,

A handwritten signature in cursive script that reads "Barbara Siegel".

Barbara Siegel, Policy Administrator
Child Support Enforcement

CC: Executive office, Department of Human Services

Attachment