



CHILD SUPPORT COMMITTEE

State of Arizona

2013 Annual Report

Submitted by:
Senator Adam Driggs

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Child Support Committee

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CHILD SUPPORT COMMITTEE 2013 ANNUAL REPORT

EXECUTIVE SUMMARY

As required by law (A.R.S. § 25-323.01), the Child Support Committee, chaired by Senator Adam Driggs, submits to the governor, the president of the senate, the speaker of the house of representatives and the chief justice of the supreme court the following report.¹

The Child Support Committee (“committee”) was created in 2002 to continue the work of its predecessor, the Child Support Coordinating Council Subcommittee. The committee was originally conceived as a forum for all system stakeholders to develop and coordinate policies and strategies to improve the child support system. The complete historical background detailing the Child Support Committee’s evolution is outlined in previous annual reports.²

The Court Services Division, Court Programs Unit of the Administrative Office of the Courts is responsible for staffing the committee created by this legislation.

Arizona Revised Statutes (A.R.S.) § 25-323.01 requires the committee to prepare an annual report on the work, findings and recommendations regarding child support guidelines, enforcement and related issues to the president of the senate, speaker of the house of representatives, governor and the chief justice of the supreme court each year. However, during the recent fiscal crisis, the Arizona legislature suspended reporting requirements for several sections of the A.R.S. including A.R.S. § 25-323.01 relating to the annual child support committee report.³ Due to the suspension, annual reports were not compiled during the fiscal years of 2009-2010, 2010-2011, 2011-2012, and 2012-2013.

¹ The Child Support Committee is normally jointly chaired by one state senator and one state representative. The representative co-chair position is currently vacant.

² See [Child Support Committee 2008 Annual Report](#)

³ See HB2010 49th Leg., 3rd Spec. Sess. (Ariz.2009); HB2006, 49th Leg., 7th Spec. Sess. (Ariz. 2010); SB1621, 50th Leg., 1st Reg. Sess. (Ariz. 2011); and SB1531, 50th Leg., 2nd Reg. Sess. (Ariz. 2012).

CHILD SUPPORT COMMITTEE 2013 ANNUAL REPORT

Purpose

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

Prepare an annual written report on its work, findings and recommendations regarding child support guidelines, enforcement and related issues to the governor, president of the senate, speaker of the house of representatives and chief justice of the supreme court on or before December 31 of each year and provide a copy of the report to the Secretary of State and the Director of the Arizona State Library, Archives and Public Records. Beginning July 1, 2011, the report shall be submitted electronically.

Membership

Appointments are made by the governor, president of the senate, speaker of the house of representatives and the chief justice of the supreme court.

Senator Adam Driggs remained the sole co-chair for the committee.⁴ Several members' terms expired June 30, 2013: Mary Boyte, Esq.; Hon. Michael Jeanes; Hon. Stephen Kupiszewski; Hon. Richard D. Nichols, and Hon. Michala Ruechel.

Current vacancies include the following positions:

- Member of the house of representatives (Co-chair)
- A custodial parent
- A non-custodial parent
- Presiding judge from the domestic relations division of the superior court from a rural county
- Presiding judge from the domestic relations division of the superior court from an urban county
- Title IV-D court commissioner
- Clerk of the superior court

⁴See Appendix page i for current membership as of October 1, 2013.

- Person from the Executive Committee of the Family Law Section of the State Bar of Arizona

Work, Findings and Recommendations

Although the Child Support Committee did not meet in fiscal year 2012-2013, the committee met in fiscal years 2009-2010 and 2011-2012.

During fiscal year 2009-2010 the committee:

- Reviewed the Child Support Guidelines Review Committee’s on-going work, timeline and vetting process for the quadrennial review. Additionally, the review included two suggestions for the Statute Review Workgroup to consider: (1.) Review the statute regarding the standard of living based on an intact family and consider revising to a “standard of living for child in each home.”⁵ (2.) To create a presumptive termination date for a child support order that will terminate as a matter of law in order to eliminate the requirement that the non-custodial parent will have to initiate the filing of a stop payment request with the court.
- Voted to recommend several proposed legislative changes such as:
 - Amend the cash medical support order statutes to clarify that an alternative cash medical support order should not be entered against a custodial parent; provide for administrative review; and to direct that cash medical support orders apply only to Title IV-D cases.⁶
 - Amend A.R.S. § 25-807 to update genetic testing terminology and to allow testing to be completed with the father and child only if the mother is unavailable or uncooperative.⁷
 - Amend A.R.S. § 25-505(E) to broaden the definition of “lump sum payment” to include, excess proceeds, retroactive disability proceeds, and personal injury awards.⁸

⁵ The suggested changes to A.R.S. § 25-320 was reviewed and recommended for proposed legislation by the legislative Domestic Relations Committee at the January 13, 2012 meeting. The proposed legislation was sponsored by Senator Linda Gray and became law on April 5, 2012. See Laws 2012, Ch. 193, § 1.

⁶ See Laws 2010, Ch. 77, § 1.

⁷ See Laws 2010, Ch. 78, § 1.

⁸ See Laws 2010, Ch.162, § 1.

- Repeal A.R.S. § 25-506 regarding administrative authority to issue ex parte orders of assignment.
 - Amend A.R.S. § 25-323.01(A)(3) to allow a division or section chief from the office of the attorney general, or their designee, to be appointed to the committee by the attorney general.⁹
- Examined the Division of Child Support Enforcement (DCSE) 2008-2009 performance measure results. Veronica Hart Ragland, Assistant Director of DCSE, reported Arizona achieved the highest paternity establishment score among Title IV-D child support programs in fiscal year 2008 and also increased revenue by 18.23% in state fiscal year 2009.

During fiscal year 2011-2012 the committee:

- Examined the annual Division of Child Support Enforcement (DCSE)¹⁰ 2011-2012 performance measure results. Veronica Hart Ragland, Assistant Director of DCSE, reported that Arizona was ranked 49th out of 54 states and territories in child support collections. As a result of new leadership and implementation of the “Strategic Approach,” Arizona’s rank has risen from 49th to 28th. Ms. Hart Ragland also reported that DCSE’s “cost effectiveness measure” has improved since 2004 when \$4.35 was collected in child support for each \$1 spent on the program. Now \$5.84 is collected for each \$1 spent on the program.
- Voted to recommend several proposed legislative changes such as:
 - Amend A.R.S. § 25-505.01 to include a provision that precludes employers or payors, who have received an administrative withholding order to pay a lump-sum payment to the obligor in the amount of \$500 or more without first notifying the Department of Economic Security to determine whether all or a portion of the payment should be applied to child support arrearages owed by an obligor.
 - Amend A.R.S. § 23-722.01 by adding a provision that would require reporting for new hires and independent contractors, if certain thresholds are met. The thresholds include: three or more periodic payments that are

⁹ See Laws 2010, Ch. 55, § 1.

¹⁰ Effective August 2013, the Division of Child Support Enforcement changed its name to the Division of Child Support Services.

expected to be made by the payor in any 12-month period and the aggregate payments are reasonably expected to equal or exceed \$5,000.

- Adding a new A.R.S. § 25-505.02, which allows for the capture of child support arrearages in Title IV-D cases through the implementation of a mandatory data exchange system between insurance companies and the Department of Economic Security that would ascertain whether personal injury claimants/obligors owe any arrearages, and then to collect on these arrearages from claimants/obligors' personal injury awards.
- Directed the Statute Review Workgroup to review the draft of enhanced guidelines that were compiled by the last Child Support Guidelines Review Committee.¹¹
- Directed the Statute Review Workgroup to review the implementation of the Income Withholding Order form in order to conform to the standardized form mandated by the federal government.
- Directed the Statute Review Workgroup to initiate discussion regarding unreimbursed medical expenses as related to child support orders including notice issues, statutory schemes to accomplish such, and simplification of forms.

Summary

Although the committee did not meet in fiscal year 2012-2013, the Statute Review Workgroup met several times to formulate a strategic plan that addresses important policy issues with the intent of improving the child support system for the citizens of Arizona.

Future Actions

The committee is dedicated to the continued exploration and development of procedures and mechanisms to enhance the delivery of child support

¹¹ During the last quadrennial review of Arizona's child support guidelines, the Child Support Guidelines Review Committee updated and reorganized the guidelines with tools such as a table of contents, definitions of terms and some expanded examples. The "enhanced" draft of the guidelines that incorporates these tools and builds upon the current guidelines is an income shares model. The underlying goal of an "enhanced" draft is to simplify and streamline the guidelines and to make them more understandable and user-friendly, especially for self-represented litigants.

services to the families and children of Arizona. The existing workgroup will continue to explore issues currently under discussion, new issues that arise, and endeavor to increase public awareness of child support issues. As chartered, the committee will maintain its important role in providing a forum for cooperative decision-making and cohesive policy development among all interested stakeholders in the child support enforcement system.

APPENDIX A
TO
CHILD SUPPORT COMMITTEE
2013 ANNUAL REPORT

CHILD SUPPORT COMMITTEE
MEMBERSHIP¹²

Appointing Authority	Membership Position/Category	Member's Name
Speaker of the House	Two members of the house of representatives, from different political parties and one designated as co-chair	<i>Ed Ableser</i> <i>Vacant Co-chair</i>
	One person who is knowledgeable in child support issues and is a custodial parent	<i>Ms. Farrah Watkins</i>
	One person who is knowledgeable in child support issues and is a non-custodial parent	<i>Mr. Brandon Maxwell</i>
President of the Senate	Two members of the senate, from different political parties and one designated as co-chair	<i>Steve Gallardo</i> <i>Adam Driggs Co-chair</i>
	One person who is knowledgeable in child support issues and is a custodial parent	<i>Vacant</i>
	One person who is knowledgeable in child support issues and is a non-custodial parent	<i>Vacant</i>
Speaker of the House and President of the Senate	One parent who is knowledgeable in child support issues and has joint custody	<i>Mr. Russell Smolden</i>
	One person from the business community	<i>Mr. William Jaffa</i>

¹² Current as of October 1, 2013

Chief Justice	One presiding judge from the domestic relations division of the superior court from a rural county	<i>Vacant</i>
	One presiding judge from the domestic relations division of the superior court from an urban county	<i>Vacant</i>
	One Title IV-D court commissioner	<i>Vacant</i>
	One person from the executive committee of the family law section of the State Bar of Arizona	<i>Vacant</i>
	One clerk of the superior court	<i>Vacant</i>
By Virtue of Position	The director of the administrative office of the supreme court or the director's designee	<i>Ms. Theresa Barrett</i>
	The assistant director of the division of child support enforcement of the department of economic security	<i>Mr. Todd Bright</i>
	The director of the department of economic security or the director's designee	<i>Ms. Bianca Varelas</i>
Attorney General	One division or section chief from the office of the attorney general who has knowledge of or experience in child support enforcement and related issues	<i>Mr. J. Mitchell Padilla</i>

DES	One county attorney from a county that is currently contracting with the state to provide child support enforcement services	<i>Ms. Michelle Krysten</i>
Governor	One executive assistant from the office of the governor	<i>Ms. Cassandra Larsen</i>

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