

# **State of Alaska FY2002 Governor's Operating Budget**

Department of Law  
Collections and Support  
Component

## **Component: Collections and Support**

**Contact: Diane Wendlandt, Assistant Attorney General**

**Tel:** (907) 269-5100 **Fax:** (907) 278-3458 **E-mail:** diane\_wendlandt@law.state.ak.us

### **Component Mission**

Support CSED's efforts to assure that, to the extent possible, children are adequately supported financially by their parents and that the state receives reimbursement for public assistance paid on behalf of those children. Assure collection of criminal judgments and other debts owed to the state.

### **Component Services Provided**

The Collections and Support section consists of two units: the collections unit and the child support unit. The collections unit collects unsecured debts owed to the state. The majority of these debts are criminal judgments (fines, judgments for the cost of appointed counsel, and judgments for the cost of incarceration on DWI charges and court and collection costs in minor offense cases). In addition, the collections unit collects various civil judgments, including attorney fee awards, and civil penalties entered by agencies such as OSHA and APOC.

The child support unit represents the Child Support Enforcement Division (CSED) in court, including paternity establishment and disestablishment, establishment and modification of child support orders, employer non-compliance actions, criminal non-support prosecutions, licensing appeals, and miscellaneous other activities related to enforcement of child support orders. In addition, the unit provides legal support in matters relating to administrative child support enforcement actions, drafts legislation and regulations, and provides general legal advice to CSED.

### **Component Goals and Strategies**

1. Assure that child support orders accurately reflect the non-custodial parent's ability to pay and are in compliance with Alaska's child support guidelines.
2. Aid in the collection of child support by assuring that employers within Alaska comply with administrative withholding orders.
3. Assure that paternity is established for Alaska children born out of wedlock.
4. Protect the interest of custodial parents, children, and the State of Alaska, when a non-custodial parent files for bankruptcy.
5. Collect money owed the state on civil judgments and penalties, criminal fines, public defender costs, and costs of incarceration where allowed by law.
6. Initiate paternity actions and actions to recover child support payments on behalf of children and their custodial parents, and on behalf of the state, where children receive welfare benefits.
7. Enforce compliance by employers with wage-withholding requirements.
8. Improve the quality of the child support enforcement services provided by CSED and the AGO to parents in Alaska and elsewhere.

### **Key Component Issues for FY2001 – 2002**

1. Upgrading the Oracle database to assure more efficient collection of new judgment types and to allow more accurate and complete reporting of collection data.

2. Assisting CSED in addressing legal issues related to the repeal of 1997 and 1998 welfare reform legislation.

### **Major Component Accomplishments for FY2000**

1. The collections unit of the Collections & Support Section collected over \$2.7 million in FY 2000. These collections included criminal fines, cost of appointed counsel, cost of imprisonment, and civil judgments owed to the State of Alaska.
2. The section resolved and closed more than 1,400 child support files in FY2000. These files included paternity establishment and disestablishment cases, appeals, bankruptcies, motions for the establishment and modification of child support orders, license suspensions, employer noncompliance claims, and miscellaneous enforcement actions and claims against the State of Alaska.
3. The section was instrumental in establishing paternity through court proceedings for over 300 children in Alaska and elsewhere. In addition, the section assisted in the exclusion of putative fathers through genetic testing and dismissal of court proceedings in an additional 63 cases.
4. The section completed approximately 540 modifications of Alaska child support orders through court proceedings, thus assuring that these support orders comply with the child support guidelines set forth in Alaska Civil Rule 90.3. This assures that the children receive the proper amount of support to which they are entitled under Alaska law.
5. The assistant attorney general assigned to this section by the Criminal Division's Office of Special Prosecutions and Appeals prosecuted 16 delinquent child support obligors and persons aiding delinquent obligors for criminal nonsupport and related criminal conduct. As a direct result of these prosecutions, the delinquent obligors in question have paid more than \$57,000 toward their child support obligations in FY 2000, with ongoing monthly payments continuing under court orders.
6. The section obtained favorable rulings in a series of supreme court cases relating to the interpretation and application of Civil Rule 90.3 and the child support statutes. Among other things, these decisions (1) strengthened the right of the state to collect public assistance reimbursement (*State, Dept of Revenue, Child Support Enforcement Div. v. Green*, 983 P.2d 1249 (Alaska 1999); *State, Dept of Revenue, Child Support Enforcement Div. v. Leitch*, 999 P.2d 782 (Alaska 2000)); (2) supported the rights of parents to obtain post-majority support while their children are eighteen and still in high school (*State, Dept of Revenue, Child Support Enforcement Div. v. McCormick*, 3 P.3d 930 (Alaska 2000); *Scully v. Scully*, 987 P.2d 743 (Alaska 1999)); and (3) clarified several issues relating to interstate child support law and the prohibition against retroactive modification of child support (*Wall v. Stinson*, 983 P.2d 736 (Alaska 1999); *State, Child Support Enforcement Div. v. Bromley*, 987 P.2d 183 (Alaska 1999); *State, Dep't of Revenue, Child Support Enforcement Div. v. Schofield*, 993 P.2d 405 (Alaska 1999)).
7. The section participated in the development of a body of case law relating to the establishment and disestablishment of paternity, especially in cases where a child has both a legal father (based on marriage or a voluntary acknowledgment of paternity) and a biological father. *Kilpper v. State, Dept of Revenue, Child Support Enforcement Div.*, 983 P.2d 729 (Alaska 1999); *State, Dept of Revenue, Child Support Enforcement Div. v. Kovac*, 984 P.2d 1109 (Alaska 1999); *Meyer v. State, Dept of Revenue, Child Support Enforcement Div.*, 994 P.2d 365 (Alaska 1999). Alaska is in the forefront of the country with respect to this changing area of law. Thus, although this section did not always prevail in these cases, the briefing and arguments submitted by this section aided the court in establishing coherent and consistent rules in this area of law. The section also assisted CSED in developing policies and procedures for establishing paternity and support orders against biological fathers where another man is presumed to be the child's father.

### **Statutory and Regulatory Authority**

AS 25.27.050, AS 44.23.020

**Collections and Support**  
**Component Financial Summary**

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	1,232.1	1,327.4	1,382.2
72000 Travel	6.9	13.3	23.6
73000 Contractual	269.0	324.3	449.5
74000 Supplies	22.2	28.8	33.0
75000 Equipment	15.3	0.0	50.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>1,545.5</b>	<b>1,693.8</b>	<b>1,938.3</b>
<b>Funding Sources:</b>			
1004 General Fund Receipts	0.0	0.0	250.6
1005 General Fund/Program Receipts	286.8	338.7	345.4
1007 Inter-Agency Receipts	1,258.7	1,348.2	1,342.3
1053 Investment Loss Trust Fund	0.0	6.9	0.0
<b>Funding Totals</b>	<b>1,545.5</b>	<b>1,693.8</b>	<b>1,938.3</b>

**Estimated Revenue Collections**

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
<b>Unrestricted Revenues</b>						
Unrestricted Fund	68515	1,421.1	0.0	2,726.2	0.0	2,761.4
<b>Unrestricted Total</b>		<b>1,421.1</b>	<b>0.0</b>	<b>2,726.2</b>	<b>0.0</b>	<b>2,761.4</b>
<b>Restricted Revenues</b>						
Interagency Receipts	51015	1,258.7	1,348.2	1,324.5	1,342.3	1,342.3
General Fund Program Receipts	51060	286.8	338.7	338.6	345.4	345.4
Investment Loss Trust Fund	51393	0.0	6.9	0.0	0.0	0.0
<b>Restricted Total</b>		<b>1,545.5</b>	<b>1,693.8</b>	<b>1,663.1</b>	<b>1,687.7</b>	<b>1,687.7</b>
<b>Total Estimated Revenues</b>		<b>2,966.6</b>	<b>1,693.8</b>	<b>4,389.3</b>	<b>1,687.7</b>	<b>4,449.1</b>

## Collections and Support

### Proposed Changes in Levels of Service for FY2002

#### Victim Restitution

The Collections section in the Civil Division will participate in this project by tracking court judgments ordering the payment of restitution to crime victims. Currently, the Unit collects criminal fines and related costs and certain civil judgments and administrative penalties. The primary means of collecting these judgments is through annual automated attachment of permanent funds dividends. For civil judgments, additional collection actions may be taken, including attachment of bank accounts, garnishment of wages, and judgment debtor exams. With only a few exceptions, all money collected by the Unit is paid to the general fund. Thus, the Unit does not currently track individual payees. The same collection approach would be applied to the victim restitution judgments, however, what would change would be the requirement to make payments to the victims, rather than simply deposit collections into the general fund. Additional staff to handle the increased workload plus funds to upgrade the Collections computer system are requested in the amount of \$250,000 in general funds.

### Summary of Component Budget Changes

#### From FY2001 Authorized to FY2002 Governor

*All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2001 Authorized</b>	<b>345.6</b>	<b>0.0</b>	<b>1,348.2</b>	<b>1,693.8</b>
<b>Adjustments which will continue current level of service:</b>				
-Year 2 Labor Costs - Net Change from FY 2001	0.4	0.0	-5.9	-5.5
<b>Proposed budget increases:</b>				
-Victim Restitution Project Funding and Positions	250.0	0.0	0.0	250.0
<b>FY2002 Governor</b>	<b>596.0</b>	<b>0.0</b>	<b>1,342.3</b>	<b>1,938.3</b>

**Collections and Support**  
**Personal Services Information**

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	21	22	Annual Salaries	1,063,726
Part-time	0	0	COLA	19,568
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	340,179
			<i>Less 2.90% Vacancy Factor</i>	(41,273)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>21</b>	<b>22</b>	<b>Total Personal Services</b>	<b>1,382,200</b>

**Position Classification Summary**

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk I	1	0	0	0	1
Administrative Clerk II	2	0	0	0	2
Assoc Attorney I	1	0	0	0	1
Assoc Attorney II	2	0	0	0	2
Attorney III	2	0	0	0	2
Attorney IV	2	1	0	0	3
Attorney V	2	0	0	0	2
Legal Secretary I	5	0	0	0	5
Legal Secretary II	1	0	0	0	1
Paralegal Asst II	2	1	0	0	3
<b>Totals</b>	<b>20</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>22</b>