

1 **State of Arkansas**
2 **80th General Assembly**
3 **Regular Session, 1995**

A Bill

ACT 1344 OF 1995
SENATE BILL 358

4 **By: Senators Mahony and Wilson**

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For An Act To Be Entitled

8 *"AN ACT TO AMEND ARK. CODE. ANN. § 9-14-801, ET SEQ. TO*
9 *PROVIDE FOR A CLEARINGHOUSE FOR TITLE IV-D CHILD SUPPORT*
10 *PAYMENTS; AND FOR OTHER PURPOSES."*

11

Subtitle

12
13 *"AN ACT TO PROVIDE FOR A CLEARINGHOUSE*
14 *FOR TITLE IV-D CHILD SUPPORT PAYMENTS."*

15

16 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

17

18 *SECTION 1. Arkansas Code Annotated § 9-14-801 is hereby amended to read*
19 *as follows:*

20 *"9-14-801. Definitions and capabilities.*

21 *As used in this subchapter, unless the context otherwise requires:*

22 *(1) 'Office' means the Office of Child Support Enforcement, Revenue*
23 *Division, Department of Finance and Administration.*

24 *(2) 'EFT/EDI' means electronic funds transfer and electronic data*
25 *interchange.*

26 *(3) 'Title IV-D' means Title IV-D of the federal Social Security Act,*
27 *as amended.*

28 *(4) 'Clearinghouse' means an automated child support payment processing*
29 *system operating under the auspice of the office, capable of providing*
30 *electronic funds transfer and electronic data interchange (EFT/EDI)*
31 *transactions for all Title IV-D child support cases on a statewide basis; the*
32 *clearinghouse shall be capable of pro rata distribution of child support*
33 *payments on multiple cases involving the same noncustodial parent, and*
34 *different custodial parents, through income withholding; the clearinghouse*
35 *shall be capable of processing automated assignments of child support payments*
36 *in accordance with state and federal laws and regulations; the clearinghouse*

1 shall be capable of performing EFT/EDI transactions.

2 (5) 'ACTS' means the Arkansas Child Support Tracking System, a
3 statewide computerized child support payment and data tracking and scheduling
4 system."

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6 SECTION 2. Arkansas Code Annotated § 9-14-802 is hereby amended to read
7 as follows:

8 "9-14-802. Authority.

9 The office is authorized to implement a clearinghouse system with
10 EFT/EDI transaction capabilities for the collection and distribution of child
11 support payments in all cases brought pursuant to Title IV-D of the Social
12 Security Act, and cases assigned to the clearinghouse as provided herein."

13

14 SECTION 3. Arkansas Code Annotated § 9-14-803 is hereby amended to read
15 as follows:

16 "9-14-803. Data.

17 (a) The clerk of the court shall provide to the office information on
18 all child support payments paid through the registry of the court concerning
19 the categories of cases listed in subsection (b) below, including, but not
20 limited to, the name, address, social security number, and the employer of the
21 plaintiff and defendant when available to the clerk through the court records.

22 (b) All child support payments owed in the below listed cases shall be
23 paid through the clearinghouse. The clerk of the court shall provide the
24 payment record(s) of the below listed cases to the office within five (5)
25 working days following receipt of written notice by the office of one (1) of
26 the listed contingencies:

27 (1) When there is a current assignment of rights pursuant to §§
28 20-76-410, 20-77-109, or 20-77-307 to the office by the custodial parent and
29 in cases where the custodial parents execute an application for IV-D services;

30 (2) In monitoring cases pursuant to 45 C.F.R. § 302.57, and in
31 cases where a party to the case requests that payments be made through the
32 clearinghouse;

33 (3) In cases where there are arrears owed to the custodial parent
34 and arrears owed to the state pursuant to an assignment as set out in §§ 20-
35 76-410, 20-77-109, or 20-77-307 and the clerk of the court is unable to split

1 the child support payment between the custodial parent and the state;

2 (4) In all Title IV-D cases, or in multiple cases involving the
3 Title IV-D Office, where income withholding is ordered and the obligated
4 parent has more than one (1) child support case and the clerk of the court is
5 unable to split the child support payment between the obligated parent_s cases
6 on a pro rata basis as required by state and federal laws and regulations.

7 (c) Upon receipt of an assignment or notice from the office that a case
8 is transferred to the clearinghouse, the clerk of the court shall enter all
9 case data into the ACTS system, said system provided to the clerk of the court
10 by the office.

11 (d) Any child support payment records provided by the clerk of the
12 court pursuant to this subsection to the office shall be attested to and
13 certified by the clerk of the court in writing as the true and accurate
14 payment record of the noncustodial parent."
15

16 SECTION 4. Arkansas Code Annotated § 9-14-804 is hereby amended to read
17 as follows:

18 "9-14-804. Payments -- Effect.

19 (a) Effective October 1, 1995, all child support payments made on cases
20 brought pursuant to Title IV-D shall be paid through the clearinghouse to be
21 operated under the auspice of the office. Alimony payments may be paid
22 through the clearinghouse if an order to pay child support is included in the
23 order of alimony. Support payments under § 9-14-803(b) and any other payments
24 required by court order to be made through the registry of the court or
25 through the clerk of the court shall, effective October 1, 1995, be made to
26 the clearinghouse. The office shall seek the assistance of the Administrative
27 Office of the Courts for the purposes of securing standing orders when
28 required to facilitate payment transition.

29 (b) All orders directing payments through the clearinghouse shall set
30 forth a fee to be paid by the noncustodial parent or obligated spouse in the
31 amount of one dollar (\$1.00) for each payment or accumulation of payments
32 received or an annual fee of twenty-four dollars (\$24.00) per year, but not
33 both a fee per payment or payments and an annual fee. If the court sets an
34 annual fee or a pro rata amount representing the portion of the fee due for
35 the remainder of the calendar year, it shall be collected from the

1 noncustodial parent or obligated spouse at the time of the first payment and a
2 twenty-four dollar (\$24.00) fee shall be collected in January of each year
3 thereafter until no children remain minor and the support obligation is
4 extinguished. The office shall have all rights and responsibilities of the
5 clerk of the court including, but not limited to, those rights and
6 responsibilities set out in §§ 9-10-109 and 9-12-312.

7 (c) Effective January 1, 1996, in all cases transferred to the
8 clearinghouse by the clerk of the court, the fee paid by the noncustodial
9 parent pursuant to §§ 9-10-109 and 9-12-312 shall be paid to the
10 clearinghouse. In cases transferred to the clearinghouse on which the twenty-
11 four dollar (\$24.00) annual fee has been collected by the clerk, the fee shall
12 be payable by the clerk to the office on a pro rata basis upon submission of
13 quarterly billing by the office. In the event the full twenty-four dollar
14 (\$24.00) annual fee is not paid on a case which is later transferred to the
15 clearinghouse, distribution of the fee, if collected after transfer, shall be
16 paid by the office to the clerk quarterly on a pro rata basis."

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18 SECTION 5. Arkansas Code Annotated § 9-14-805 is hereby amended to read
19 as follows:

20 "9-14-805. Permanent transfer.

21 A Title IV-D child support, paternity, or Medicaid-only case shall
22 remain within the clearinghouse for payment, collection, and distribution
23 purposes even though a custodial parent may elect to close the case with the
24 office in regard to establishment and enforcement services; such cases shall
25 be referred to as non-Title IV-D clearinghouse cases. In the event a child
26 support case begins paying through the clearinghouse, all payments shall
27 continue to be paid through the clearinghouse for the life of the case."

28

29 SECTION 6. Arkansas Code Annotated § 9-14-806 is hereby amended to read
30 as follows:

31 "9-14-806. Electronic funds transfer/electronic data information
32 election (EFT/EDI) -- Arkansas Child Support; Tracking System (ACTS).

33 (a) Employers may remit income withholding for child support by EFT/EDI
34 transaction.

35 (b) Unless otherwise notified by the Title IV-D agency, all child

1 support payments paid by income withholding and remitted via EFT/EDI
2 transactions shall be sent to the clerk of the court.

3 (c) The Title IV-D agency shall notify the employer when a case is
4 assigned or transferred to the clearinghouse, at which time the employer shall
5 begin or continue income withholding for child support and may remit such
6 payments to the clearinghouse by EFT/EDI transactions.

7 (d) The clerk of the court is authorized to use ACTS for all private
8 cases, including alimony where there is an order to pay child support, without
9 charge until January 1, 1996. After January 1, 1996, if the clerk of the
10 court elects to use ACTS, the clerk of the court may contract with the office
11 to pay for the costs of the use and operational expenses of the ACTS system."
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13 SECTION 7. Title 9, Chapter 14, Subchapter 8 of the Arkansas Code
14 Annotated is hereby amended by adding a new section to read as follows:

15 "9-14-807. Official payment record.

16 (a) Effective October 1, 1995, support payment records in all cases
17 mentioned above wherein the office is charged with collection and distribution
18 of child support, the payment records of the office shall constitute an
19 official public record subject to the self-authentication provision of the
20 Arkansas Rules of Evidence.

21 (b) The child support payment record issued by the office and certified
22 by an affidavit duly subscribed and sworn to before a notary public, may be
23 introduced in evidence in child support actions without calling an agent or
24 employee of the office as a witness. A copy of a child support payment record
25 will be accessible in the clerk_s office through ACTS and the clerk may make
26 the record available to officers of the court, judges, attorneys, and
27 abstractors.

28 (c) The office shall furnish the child support payment record, duly
29 certified as set out above, to a noncustodial parent or custodial parent in
30 their child support case or cases, or to the attorney of record of the
31 noncustodial or custodial parent, upon written request. The request shall
32 state the name of the noncustodial parent, custodial parent, and court docket
33 number, and IV-D numbers when available."
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35 SECTION 8. All provisions of this act of a general and permanent nature

1 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
2 Revision Commission shall incorporate the same in the Code.

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4 SECTION 9. If any provision of this act or the application thereof to
5 any person or circumstance is held invalid, such invalidity shall not affect
6 other provisions or applications of the act which can be given effect without
7 the invalid provision or application, and to this end the provisions of this
8 act are declared to be severable.

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10 SECTION 10. All laws and parts of laws in conflict with this act are
11 hereby repealed.

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13 SECTION 11. *Emergency. It is hereby found and determined by the*
14 *General Assembly that it is in the best interest of the people of the State of*
15 *Arkansas that child support be collected, enforced, and distributed in the*
16 *most expedient manner for all children of this state; that smooth transition*
17 *from current requirements to those of this act require that the provisions*
18 *become effective immediately. Therefore, an emergency is hereby declared to*
19 *exist and this act being necessary for the preservation of the public peace,*
20 *health, and safety shall be in full force and effect from after its passage*
21 *and approval.*

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/s/Mahony and Wilson

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APPROVED: 4-17-95

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As Engrossed: 3/2/95 3/3/95 3/14/95 3/27/95 4/6/95

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