

1 State of Arkansas

2 80th General Assembly

3 Regular Session, 1995

4 By: Senators Mahony and Wilson

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6

7

A Bill

SENATE BILL

358

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

12

Subtitle

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

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
19 read 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
29 processing system operating under the auspice of the office, capable of
30 providing 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

1 payments in accordance with state and federal laws and regulations; the
2 clearinghouse shall be capable of performing EFT/EDI transactions.

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

6

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

9 "9-14-802. Authority.

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

14

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

17 "9-14-803. Data.

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

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

29 (1) When there is a current assignment of rights pursuant to §§
30 20-76-410, 20-77-109, or 20-77-307 to the office by the custodial parent and
31 in cases where the custodial parents execute an application for IV-D
32 services;

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

1 (3) In cases where there are arrears owed to the custodial
2 parent and arrears owed to the state pursuant to an assignment as set out in
3 §§ 20-76-410, 20-77-109, or 20-77-307 and the clerk of the court is unable to
4 split the child support payment between the custodial parent and the state;

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

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

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

19

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

22 "9-14-804. Payments -- Effect.

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

33 (b) All orders directing payments through the clearinghouse shall set
34 forth a fee to be paid by the noncustodial parent or obligated spouse in the
35 amount of one dollar (\$1.00) for each payment or accumulation of payments

1 received or an annual fee of twenty-four dollars (\$24.00) per year, but not
2 both a fee per payment or payments and an annual fee. If the court sets an
3 annual fee or a pro rata amount representing the portion of the fee due for
4 the remainder of the calendar year, it shall be collected from the
5 noncustodial parent or obligated spouse at the time of the first payment and
6 a twenty-four dollar (\$24.00) fee shall be collected in January of each year
7 thereafter until no children remain minor and the support obligation is
8 extinguished. The office shall have all rights and responsibilities of the
9 clerk of the court including, but not limited to, those rights and
10 responsibilities set out in §§ 9-10-109 and 9-12-312.

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

22
23 SECTION 5. Arkansas Code Annotated § 9-14-805 is hereby amended to
24 read as follows:

25 "9-14-805. Permanent transfer.

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

33
34 SECTION 6. Arkansas Code Annotated § 9-14-806 is hereby amended to
35 read as follows:

1 "9-14-806. Electronic funds transfer/electronic data information
2 election (EFT/EDI) -- Arkansas Child Support; Tracking System (ACTS).

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

5 (b) Unless otherwise notified by the Title IV-D agency, all child
6 support payments paid by income withholding and remitted via EFT/EDI
7 transactions shall be sent to the clerk of the court.

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

12 (d) The clerk of the court is authorized to use ACTS for all private
13 cases, including alimony where there is an order to pay child support,
14 without charge until January 1, 1996. After January 1, 1996, if the clerk of
15 the court elects to use ACTS, the clerk of the court may contract with the
16 office to pay for the costs of the use and operational expenses of the ACTS
17 system."

18
19 SECTION 7. Title 9, Chapter 14, Subchapter 8 of the Arkansas Code
20 Annotated is hereby amended by adding a new section to read as follows:

21 "9-14-807. Official payment record.

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

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

34 (c) The office shall furnish the child support payment record, duly
35 certified as set out above, to a noncustodial parent or custodial parent in

1 *their child support case or cases, or to the attorney of record of the*
2 *noncustodial or custodial parent, upon written request. The request shall*
3 *state the name of the noncustodial parent, custodial parent, and court docket*
4 *number, and IV-D numbers when available."*

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6 SECTION 8. All provisions of this act of a general and permanent
7 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas
8 Code Revision Commission shall incorporate the same in the Code.

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10 SECTION 9. If any provision of this act or the application thereof to
11 any person or circumstance is held invalid, such invalidity shall not affect
12 other provisions or applications of the act which can be given effect without
13 the invalid provision or application, and to this end the provisions of this
14 act are declared to be severable.

15

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

18

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

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/s/Mahony and Wilson

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

SB 358

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