

**State of Alaska
FY2006 Governor's Operating Budget**

**Department of Law
Collections and Support
Component Budget Summary**

Component: Collections and Support

Contribution to Department's Mission

The Collections and Support section provides advice and representation to the Child Support Services Division of the Department of Revenue to assist it in the performance of its functions. The section is also responsible for collecting judgments owed to the State of Alaska and on behalf of victims of crimes and delinquent acts.

Core Services

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, judgments for the cost of incarceration on DWI charges, and court and collection costs in minor offense cases). The collections unit also collects civil judgments, including attorney fee awards, on behalf of the State and civil penalties issued by agencies such as OSHA and APOC. Effective January 1, 2002, the collections unit expanded its work to include the collection of restitution on behalf of victims in criminal and juvenile delinquency proceedings.

The child support unit represents the Child Support Services Division (CSSD) in court, including paternity establishment and disestablishment proceedings, 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 CSSD.

FY2006 Resources Allocated to Achieve Results

FY2006 Component Budget: \$2,042,500	Personnel:	
	Full time	21
	Part time	0
	Total	21

Key Component Challenges

The primary challenge for the child support unit will be to accommodate a growing number of requests from the Child Support Services Division for assistance in more complex enforcement actions and a growing caseload of support modification requests. With CSSD's reorganization and rethinking of its mission and use of resources, the agency has suggested an intent to place more emphasis on enforcement action, including the use of civil contempt, attachment of assets, fraudulent transfer actions, seek work orders, and criminal non-support. At the same time, actions to modify child support orders have become more complex, with an increase in the number of self-employed or voluntarily underemployed parents. These actions are requiring more resources. Absorbing this additional caseload while continuing to leave one of the section's eight attorney positions vacant as the result of CSSD budget constraints will be a significant challenge.

Other challenges for the child support unit will include tribal issues. In *John v. Baker*, the section will be defending on appeal to the Alaska Supreme Court the State's position that the Northway Tribal Court does not have jurisdiction to issue child support orders. This case will have significant implications for the Child Support Services Division which is tasked with enforcement of support orders pursuant to detailed federal requirements. More generally, because of the Indian country and tribal sovereignty issues that have been raised in this case, the outcome of this appeal could also be felt in areas other than child support. In addition, tribes located in other states have begun issuing child support orders

and the unit will be addressing recognition and enforcement issues concerning these support orders.

The support unit will continue to assist CSSD in updating its regulations to comply with state and federal law as well as current cases decided by the Alaska Supreme Court.

For the collections unit, the primary challenge will be to develop a new database to efficiently increase money collected for the state and victims of crimes as well as expand the types of judgments the unit can collect. Currently, the unit is unable to collect certain criminal surcharges due to limited staff and the limited database. In addition to collecting other types of judgments, a new database would expand the restitution collection work. Since January 2002 when the unit began collecting restitution, the unit has developed and, over time, improved a streamlined system for processing restitution judgments and collecting and disbursing restitution on behalf of victims. To date, because of limited personnel and the time spent developing the program and training staff, the unit's work has been limited primarily to processing judgments, handling voluntary payments, and attaching permanent fund dividends. The unit now needs to move forward with more aggressive collection action, particularly in cases where the defendant's failure to pay is particularly egregious. Such actions would include seizing bank accounts, recording judgments, and garnishing wages. Among other things, the unit hopes to enter into an agreement with Department of Labor and Workforce Development to match restitution defendants against labor records in order to identify employers and facilitate wage garnishment for restitution. Expanding the restitution collection work, however, will require a new database estimated to cost \$250,000 and possibly additional personnel.

Significant Changes in Results to be Delivered in FY2006

- Decreasing the time for processing child support modification files. The goal for FY 2006 will be to assure that action is taken in 90% of child support modification files within 30 days of receipt of the file from the Child Support Services Division.
- Assisting CSSD with its arrears forgiveness program including drafting regulations and advising the agency. The unit will represent CSSD in court actions ancillary to the program.
- Increasing the use of civil and criminal enforcement actions in child support cases. The goal for FY 2006 is to increase the number of criminal non-support prosecutions by 10% and the number of cases accepted for civil enforcement action by 5%. The unit will work with CSSD to develop and implement a pilot program to increase enforcement in child support arrears cases including show cause and seek work motions.

Major Component Accomplishments in 2004

- The collections unit of the Collections & Support Section collected over \$4.1 million in FY 2004. These collections included criminal fines, cost of appointed counsel, cost of imprisonment, civil judgments owed to the State of Alaska, and victim restitution. Of this amount, the unit collected and disbursed to victims over \$1.1 million in restitution.
- The section resolved and closed approximately 1,500 child support files in FY 2004. 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. The section completed more than 500 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.
- The section was instrumental in establishing paternity through court proceedings for over 100 children in Alaska and elsewhere. The section assisted in the exclusion of putative fathers through genetic testing and dismissal of court proceedings in an additional 20 cases. The section also assisted CSSD with administrative paternity proceedings,

primarily by filing judicial proceedings for civil contempt to obtain compliance with administrative genetic testing orders. During FY 2004, the section obtained compliance with administrative genetic testing orders in approximately 135 cases.

- The section, with assistance from Native law experts within the Department, prepared and filed extensive briefing on the question of tribal court jurisdiction in the *John v. Baker* appeal. Following oral argument, the superior court granted the state's motion for clarification, finding that the Northway Tribal Court did not have subject matter jurisdiction to issue child support orders. The matter is now pending with the Alaska Supreme Court.

Statutory and Regulatory Authority

AS 25.27.050, AS 44.23.020

Contact Information

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**Collections and Support
Component Financial Summary**

All dollars shown in thousands

	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,483.3	1,501.3	1,519.0
72000 Travel	5.0	20.7	20.7
73000 Services	304.1	453.3	460.5
74000 Commodities	26.2	35.8	35.8
75000 Capital Outlay	14.2	6.5	6.5
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,832.8	2,017.6	2,042.5
Funding Sources:			
1004 General Fund Receipts	186.6	251.7	247.6
1005 General Fund/Program Receipts	340.8	306.8	314.2
1007 Inter-Agency Receipts	1,305.4	1,459.1	1,480.7
Funding Totals	1,832.8	2,017.6	2,042.5

Estimated Revenue Collections

Description	Master Revenue Account	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Interagency Receipts	51015	1,305.4	1,459.1	1,480.7
General Fund Program Receipts	51060	340.8	306.8	314.2
Restricted Total		1,646.2	1,765.9	1,794.9
Total Estimated Revenues		1,646.2	1,765.9	1,794.9

**Summary of Component Budget Changes
From FY2005 Management Plan to FY2006 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2005 Management Plan	558.5	0.0	1,459.1	2,017.6
Adjustments which will continue current level of service:				
-FY 05 Bargaining Unit Contract Terms: GGU	2.8	0.0	4.2	7.0
-To Environmental Law to Adjust Vacancy	-9.4	0.0	0.0	-9.4
-FY06 Cost Increases for Bargaining Units and Non-Covered Employees	9.9	0.0	17.4	27.3
FY2006 Governor	561.8	0.0	1,480.7	2,042.5

**Collections and Support
Personal Services Information**

Authorized Positions		Personal Services Costs		
	<u>FY2005</u> <u>Management</u> <u>Plan</u>	<u>FY2006</u> <u>Governor</u>		
Full-time	21	21	Annual Salaries	1,059,628
Part-time	0	0	COLA	7,175
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	538,382
			<i>Less 2.00% Vacancy Factor</i>	<i>(32,085)</i>
			Lump Sum Premium Pay	0
Totals	21	21	Total Personal Services	1,573,100

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Clerk II	1	0	0	0	1
Administrative Clerk III	4	0	0	0	4
Assoc Attorney I	2	0	0	0	2
Assoc Attorney II	1	0	0	0	1
Attorney III	2	0	0	0	2
Attorney IV	2	1	0	0	3
Attorney V	1	0	0	0	1
Attorney VI	1	0	0	0	1
Law Office Assistant I	2	0	0	0	2
Law Office Assistant II	1	0	0	0	1
Paralegal II	2	1	0	0	3
Totals	19	2	0	0	21