



TESTIMONY OF THE STATE ATTORNEY GENERAL TWENTY-FOURTH LEGISLATURE, 2008

ON THE FOLLOWING MEASURE:

S.B. No. 2977, S.D. 1, H.D. 2, RELATING TO CHILD SUPPORT ENFORCEMENT.

BEFORE THE:

HOUSE COMMITTEE ON FINANCE

DATE: Wednesday, March 26, 2008 **TIME:** 11:00 AM

LOCATION: Conference Room 308
Deliver to: Room 306, 2 copies

TESTIFIER(S): Lisa M. Ginoza, First Deputy Attorney General
or Lawrence A. Sousie, Deputy Attorney General
or Garry L. Kemp, Administrator, Child Support Enforcement Agency

Chair Oshiro and Members of the Committee:

The Attorney General strongly supports this bill.

The provisions of this measure amend various sections of the Hawaii Revised Statutes in order to bring the Child Support Enforcement Agency into compliance with federal law, streamline agency actions, or add strength to the current organizational structure.

The proposed changes are:

- To comply with federal statutory requirements by clarifying the requirement for "notice" to custodial parents regarding state income tax refund setoffs in cases where medical support rights have been assigned to the State. This is a housekeeping provision designed to align Hawaii and federal law. This change amends the "notice" requirement in the current law, but does not affect the distribution of funds collected. How the funds are actually distributed is covered under federal law by 42 U.S.C. § 657, which assigns to the state the right to recovered funds when the custodial parent is on welfare.

- To streamline the child support enforcement process by making consistent the number of days a party has to request an administrative hearing for actions initiated because of the federally required "periodic" review of Temporary Assistance for Needy Families (TANF) cases and for modification actions initiated at the request of one of the parties. This change is prompted by a change in federal law, effective October 1, 2007, requiring states to periodically review cases in which children are receiving TANF at least once every three years. This change sets the hearing request period for both the periodic review and the requested modification actions at 30 days.
- To allow the Child Support Enforcement Agency to make a request for hearing. This change makes the agency a party in interest for purposes of requesting a hearing.
- To allow the Child Support Enforcement Agency to sign proposed administrative orders when no request for hearing is received by the agency. The current process only provides for an administrative hearings officer to sign default orders. This change will allow the agency to expedite the filing and implementation of default orders.
- To strengthen the Child Support Enforcement Agency's objective of improvement by creating an assistant administrator position that will serve to centrally coordinate and to systematically develop and implement policy and planning documents to guide operations to successful outcomes. This change is recommended to provide structured leadership to the agency staff in implementing federal requirements.
- To transfer two temporary full-time equivalent positions from the County of Kauai to the Child Support Enforcement Agency. The County of Kauai has historically provided support to the Child

Support Enforcement Agency through its Office of the County Attorney. The County has now requested that these staff positions be transferred to the Department of the Attorney General, which we believe is necessary to maintain existing services on Kauai.

The provisions of this measure that are being proposed in order to comply with federal statutory requirements and to continue to provide child support services to the County of Kauai are necessary to maintain eligibility for federal welfare funding and federal funding of child support enforcement programs.

With regard to the request to establish the assistant administrator position and to transfer the two County of Kauai positions, no additional appropriation or funding will be required. For the assistant administrator position, we propose to reallocate an existing position for this purpose. To the extent that any additional funding is required, we propose to use existing funds in our budget. For the two County of Kauai positions transfer, these positions have been paid for under contract for a number of years. Therefore, there will be no additional fiscal impact based on the transfer of positions.

The Attorney General respectfully requests the passage of this bill.