

MINUTES OF THE SENATE NATURAL RESOURCES COMMITTEE

The meeting was called to order by Chairperson Carolyn McGinn at 8:30 a.m. on February 9, 2006, in Room 423-S of the Capitol.

All members were present.

Committee staff present:

Raney Gilliland, Kansas Legislative Research Department
Emalene Correll, Kansas Legislative Research Department
Lisa Montgomery, Revisor of Statutes Office
Judy Holliday, Committee Secretary

Conferees appearing before the committee:

Gary Daniels, Secretary, Kansas Department of Social & Rehabilitation Services
Christopher Tymeson, Chief Legal Counsel, Kansas Department of Wildlife & Parks
Cindy D'Ercole, Director of Government Relations, Kansas Action for Children

Others attending:

See attached list.

Chairperson McGinn asked for testimony on **SB 459, if person owes arrearages on child support, Secretary of Wildlife and Parks not issue license, permit, stamp or tag to person.** Emalene Correll, Legislative Research, explained the bill which would create a new law dealing with collection of child support which complies with federal guidelines. The bill would allow the Secretary of SRS to notify the Secretary of Wildlife & Parks (KDWP) the names of persons in arrearage on child support payments. Through new licensing procedures and with the new automated program, persons in arrearage on child support payments who apply for a recreational license would not be able to purchase the permit, the license, or other issue of KDWP until the arrearage is paid. The vendor would be required to deliver to the applicant written notice stating the basis for the action and options available to the applicant. A further provision in the bill would require the Secretary of SRS to release the name of a person from the quarterly listing once the arrearage is paid.

Gary Daniels, Secretary, Kansas Department of Social and Rehabilitation Services, briefed the Committee on several bills before the Legislature this year dealing with the child support issue: HB 2706, dealing with interception of driving privileges; SB 468, which intercepts insurance payments; SB 420 which allows the Kansas Payment Center to endorse checks for persons not in the custody of the Secretary; and SB 459 which is being heard today. He introduced Jaime Corkhill, Senior Attorney for Child Support, SRS, who presented testimony in favor of **SB 459 (Attachment 1)**. Ms. Corkhill stated that the Department's goal is not to deny people recreational licenses, but to encourage people to be in compliance to avoid this sanction. She called the Committee's attention to a fact sheet attached to her testimony regarding the Child Support Enforcement Program (CSE).

Senator Huelskamp asked who matches the names on the new system, and Chris Tymeson responded that KDWP gets the information from SRS and has the system that makes the match. Senator Huelskamp asked about out-of-state individuals who owe child support and how their status would be affected in receiving hunting licenses, and Ms. Corkhill responded that their names would be on the list also.

Chairperson McGinn asked Chris Tymeson about the interstate compact they worked last year and if the child support issue can be tied into that or not. Chris responded that there are two separate issues, one is child support and the other deals with violators.

Chairperson McGinn commented on the bill regarding the applicant coming back into compliance, and that it is up to them to obtain a release from SRS. Ms. Corkhill stated that depending on how often the file is updated with KDWP, it would be a matter of waiting until the next quarterly system update. Chairperson McGinn stated that her concern was that a person would be back in compliance but the update would not have been done so the person could get their license. Ms. Corkhill commented that is the emphasis on outreach and voluntary compliance so this would not happen.

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Senator Lee asked about suspension of professional license and Ms. Corkhill told the Committee that suspension of a professional license comes only when a judge finds a person in contempt of court and he orders the suspension.

Senator Ostmeyer asked if the “deadbeat dad’s” name is taken off when they meet their obligations, and whether the name stays on the list a couple of months to make sure they stay in compliance? Ms. Corkhill stated that as it stands now, they will take their name off the list if they pay their arrearage or enter into an agreement and pay that first payment. If they get out of compliance again, their name would go back on the list.

Senator Teichman asked if the quarterly list of names coordinates with the cycle of license dates, and Ms. Corkhill responded that it could.

Senator Francisco asked if there is additional expense or administrative costs split between KDWP and SRS? Ms. Corkhill deferred to Chris Tymeson who stated that he did not think the impact would be an issue.

Chairperson McGinn called the Committee’s attention to written testimony submitted by the Kansas Action for Children (Attachment 2). She noted she did not have Wildlife and Parks on the agenda for testimony, but recognized Chris Tymeson who spoke in favor of **SB 459** (Attachment 3).

Senator Huelskamp noted the time-sensitive issue for out-of-state residents and the time constraints of downloading up to 200,000 names, and Mr. Tymeson stated that the first time would be the hardest and that after that update the names that had fallen off the list would be sorted more quickly. Senator Huelskamp asked if the vendor had been notified, and Mr. Tymeson stated they had.

Senator Pyle stated concern that the night before a person wants to go hunting, his name shows up on a vendor’s list and he cannot check on it, thus losing out on hunting for that season. Chairperson McGinn asked for Jamie Corkhill to clarify how the match works, and Ms. Corkhill explained that they would require several pieces of specific information about that person before a license would be issued. Senator Pyle asked what criteria determines a match, and Chris Tymeson responded that under the new system, an address, social security number, driver’s license and full name would all have to be an exact match in order for that person to obtain a license; if one of those components of information does not match, a license will not be issued.

Chairperson McGinn asked if there is a privacy problem if this were to occur in a small town, and Mr. Tymeson responded that it is a matter of public record anyway. Chairperson McGinn commented that maybe there should be a hotline for people to call SRS if there is a problem with an incorrect entry.

Senator Ostmeyer asked about the percentage of violations or deadbeat dads, and Mr. Tymeson replied it was a small percentage.

Senator Taddiken asked if a local vendor issues a license, will that vendor contact the Pratt office before he issues the license, and Mr. Tymeson replied no, that the paper system is gone.

Staff asked Jamie Corkhill if this bill complies with federal requirements for child enforcement laws. Ms. Corkhill replied that prior to the new system, the federal government accepted the SRS’ sanctions on the lifetime license because there was no technology in place, but now SRS is concerned that the federal requirements would expand to include annual licenses.

Senator Lee asked Chris Tymeson about the permit issue on electronic licenses and if the Department had a response. She told the Committee that last summer, Walmart had advertised on the KDWP website as a vendor for electronic licenses, but a business owner in Russell was told he could not sell a half-price senior citizen license even though he had the same Internet-based system. Chairperson McGinn advised the Committee that a lot of time could be spent on this issue and there are still possible glitches in this system. She declared the hearing closed on **SB 459** and thanked those who testified.

Chairperson McGinn opened the hearing on **SB 386, air contaminant emission sources, regional haze**. She

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called the Committee's attention to the memorandum submitted by Ron Hammerschmidt, Director of Environment, KDHE, on particulate matter. Dr. Hammerschmidt answered some questions about the ability to trade credits on mercury, and stated that the Department would look at all sources of the mercury and give the entities the opportunity to trade.

Dr. Hammerschmidt called the Committee's attention to a graph showing the particulates from agricultural operations and dust from roads or feedlots which are not being considered because they settle fairly quickly and are not into the atmosphere. Chairperson McGinn asked the Farm Bureau representative if Farm Bureau is comfortable with the agency's approach and he stated that at this point, they have no opposition.

Senator Huelskamp asked if the Department has the authority to regulate particulates from normal agricultural operations with regard to regional haze, if perhaps the Department should warn those with respiratory problems to stay indoors during times when wind is carrying these particulates, and commented that perhaps a public relations approach would be helpful.

Chairperson McGinn asked for a motion to move the bill out of Committee. Senator Ostmeyer made a motion, seconded by Senator Francisco, to move the bill. The motion carried.

Chairperson McGinn advised the Committee that the minutes would be approved at the next meeting, Friday, February 10. She also mentioned that **SB 417, imposing certain restrictions on boating**, and **SB 453, environmental laws; compliance audit privilege; immunity; lesser penalties for violations** would be heard at that meeting.

Seeing no further discussion to come before the Committee, the meeting adjourned at 9:21 a.m.

SENATE NATURAL RESOURCES COMMITTEE

Guest Roster

2/9/06

Name	Representing
Gary Daniels	SRS
Jamie Corkhill	SRS
Ron Hammerschmitt	KDHE
Mary Ann Stankiewicz	KGFA/KARA
Richard A. Saragap	Rossy & Assoc.
Mark Schweiber	Westar Energy
Lindsey Douglas	Hein Law Firm
David Rowe	Intern - Sen. Francisco
Steve Swaffar	Ks Farm Bureau
Kevin Jones	KDWP
Chris Tymeson	KDWP
Whitney Dammig	Empire District Electric Co
Kimberly (Casper)	Agencia
David (Holtzhaus)	KEC
Erik Sartorius	City of Overland Park
Sandy Braden	KCP

Kansas Department of

Social and Rehabilitation Services

Gary Daniels, Secretary

Senate Committee on Natural Resources

February 9, 2006

SB - 459 Recreational Licenses

Integrated Services Delivery

Gary Daniels, Secretary

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For additional information contact:

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Senate Natural Resources
2-9-06
ATTACHMENT 1

**Kansas Department of Social and Rehabilitation Services
Gary Daniels, Secretary**

Senate Committee on Natural Resources
February 9, 2006

SB 459- Recreational Licenses

Chair McGinn and members of the Committee, I am Gary Daniels, Secretary of SRS. Thank you for the opportunity to testify about SB 459 Recreational Licenses and the Kansas Child Support Enforcement Program (CSE).

Lack of child support income is an ongoing challenge for many families today. Of the 131,000 cases served by the CSE Program, 54 percent of children receive the financial support to which they are entitled. That performance, although meaningful to many Kansas families, places Kansas 37th in state rankings. Within our own federal region, Kansas lags far behind Nebraska (#7) and Iowa (#16).

SB 459 is part of a package of changes intended to improve Kansas' efforts to efficiently and effectively enforce support orders whenever they go unpaid. This measure brings Kansas into compliance with Federal statute enacted in 1996 and builds upon the automation project recently undertaken by the Department of Wildlife and Parks. As part of their new licencing procedures, the vendor enters identifying information about the purchaser in the Kansas Outdoor Automated Licensing System. Under this bill, that information would be matched by the computer against SRS' list of child support debtors. If the purchaser is not matched, the transaction continues normally. If there is a match no license is issued until the support debt is paid in full or an arrangement is made for regular payments. In cooperation with the Department of Wildlife and Parks, SRS will supply printed materials for people who are denied a license, explaining why the license was denied and what options are available.

Our goal is not to deny people recreational licenses. Rather, our goal is to encourage people to avoid this sanction by paying their support obligations on time and in full. Outreach and voluntary compliance will make this measure succeed as a tool for increasing child support payments. We know parents value their children's financial well-being more than their own recreational activities; we just want to make sure that their actions match those values.

Kansas has a long history of enacting progressive laws to protect and provide for our children, reflecting the high value we as a people place on our most vulnerable citizens. This measure builds on that history and affirms that children continue to hold that priority today.

This concludes my prepared remarks. I will be glad to stand for questions.

Note: Attached is a CSE Fact Sheet that provides background information about the Child Support Enforcement Program and its recent achievements.

2005 CSE Fact Sheet

- The Kansas Child Support Enforcement Program, operated under Title IV-D of the federal social security act, has two purposes: (1) to ease the taxpayers' burden for public assistance to children not being supported by both parents, and (2) to promote financial stability for the appalling number of children living in or near poverty. By pursuing these goals CSE helps families become and remain independent of public assistance, which in turn allows the State to extend its finite resources to more families in need. CSE's work helps custodial parents expand their children's opportunities to grow, learn, and develop their abilities to the fullest.
- The Department of Social and Rehabilitation Services is the designated Title IV-D (CSE) agency for the State of Kansas. CSE operates within the Integrated Service Delivery Division of SRS. The CSE caseload consists of approximately 131,000 TAF and Non-TAF cases serving over a quarter million people.
- The Kansas CSE Program is a multifaceted operation that combines state, county, judicial, and private resources to meet detailed federal requirements concerning all phases of operation. CSE services include:
 - Locating absent parents and their assets;
 - Establishing parentage, as needed;
 - Establishing support orders, including medical coverage;
 - Ensuring regular payment of support through income withholding orders;
 - Enforcing past due support through administrative action, such as interception of federal and state tax refunds;
 - Enforcing past due support through court action, such as garnishment of bank accounts; and
 - Modifying ongoing support orders, as needed, to reflect the child's current needs and the parent's ability to provide support.
- CSE services are provided across Kansas by full and part-time SRS staff and by more than 20 contractors. CSE's enforcement contractors are selected through competitive procurement and presently include a county prosecutor, several district court trustees, and a variety of private sector vendors. Other private contractors include the vendor operating the Kansas Payment Center, a paternity testing laboratory, credit bureaus, and process servers.

- CSE cases fall into two broad categories:
 - Temporary Assistance to Families (TAF). When a child's custodian applies for TAF (Temporary Assistance to Families), that child's support rights are assigned to the State. If CSE collects support in a TAF case, it is used to reimburse the state and federal governments for public assistance provided to the child's family. Any collections beyond the claim for reimbursement are passed on to the family. If the TAF eligibility worker determines that monthly child support collections for a family are regularly exceeding the monthly TAF grant, the TAF cash grant may be ended. When that happens, appropriate transitional services and supports for the family continue, including CSE services.
 - Non-TAF. Federal law requires the CSE Program to provide services to any family, regardless of income, that applies for support enforcement services. CSE is also required to provide Non-TAF services when a family stops receiving cash TAF benefits, at the custodial parent's discretion. The idea is to prevent the need for TAF and other forms of public assistance by insuring reliable child support income, and to provide equal treatment under the law for all children. It is important to note that nearly 2 out of 3 Kansas Non-TAF families formerly received public assistance.

The CSE Non-TAF caseload also includes families receiving only Child Care Assistance from SRS. When CSE successfully collects support in such a case, current support (and any past due support that is not subject to an SRS claim for reimbursement) goes to the family. Child support income enables the family to make co-payments while eligible for Child Care Assistance and, after Child Care Assistance ends, to pay independently for child care services from the provider of their choice.

- Although SRS normally deducts a 4% cost recovery fee from Non-TAF collections, families receiving Child Care Assistance, Medicaid, or Food Assistance are all exempt from the fee. In addition, all CSE cases are automatically exempt from any district court trustee fee that might otherwise apply.
- In state fiscal year 2005, CSE's total support collections topped \$156 million, most of which was passed on to families. Altogether, more than 1.8 *billion* dollars of support have been collected for families and taxpayers since the Kansas IV-D program's inception in 1976.
- In state fiscal year 2005, CSE established over 9,800 child support obligations. The Child Support Guidelines, used to calculate all current support orders in Kansas, call for work-related child care expenses to be factored into the monthly support award, so that the parent who pays for child care will receive a fair contribution toward that expense from the other parent. Whenever appropriate, CSE also establishes a medical support order that requires the noncustodial parent to provide group health coverage for the child.

- Paternity establishment by the CSE Program also plays a vital role in SRS' mission. Children benefit from having their parentage established because it opens the avenue to cash and medical support from the second parent, assures them access to complete family medical information, and paves the way for potential inheritance and other rights. It also gives the child certainty about his or her family background, which is so important to the child's emotional development and confidence.
- Federal rules permit TAF cash assistance to be ended when current support payments regularly exceed the cash grant. Such closures provide significant advantages to the State, allowing scarce public assistance resources to be focused on the people most in need. CSE services to the former TAF family continue automatically, providing a safety net that reduces the risk of the family returning to dependence on public assistance. This is especially important for people affected by the five-year lifetime limit on TAF eligibility.

Whenever CSE secures regular child support income for a household receiving Child Care Assistance, the State also has the opportunity to stretch its limited resources to help more families -- including families who do not have the option of child support income from an absent parent. Regular, dependable child support income gives a working family greater assurance that, regardless of the ups and downs of public human services, they will be able to purchase the child care services that they need.

- In October 2000 the Kansas Payment Center (KPC), a joint venture of CSE and the Kansas Office of Judicial Administration, became Kansas' central unit for collection and disbursement of all support payments. The KPC offers a number of customer services statewide that were not feasible before 2000. Examples include 24-hour access to payment and disbursement information by phone or through the Internet, a toll-free customer service center, and direct deposit of support disbursements. Taken together, these elements enable families to monitor support payments independently and use up-to-date information for planning and managing their own household expenses.

- Historic information about the Kansas CSE Program:

	State FY 2002	State FY 2003	State FY 2004	State FY 2005
CSE cases	150,204	144,544	134,115	131,616
Total collections	\$143.1 million	\$146.8 million	\$151.7 million	\$156.3 million
State's share	\$15.3 million	\$15.7 million	\$17.2 million	\$16.8 million

February 9, 2006



**KANSAS
ACTION FOR
CHILDREN**

Making a difference for Kansas children.

To: Senate Natural Resources
From: Cindy D'Ercole
Re: Senate Bill 459 – Child Support

Kansas Action for Children Inc.
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Topeka, KS 66603

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Celebrating 25 years
of child advocacy

Kansas Action for Children supports enactment of SB 459

Kansas does not do a very good job at child support enforcement and establishment. One of the reasons that Kansas does not compare well to other states is that we have not implemented some of the administrative tools other states use to collect support arrearages. SB 459 is part of a package of bills that will give Kansas the ability to effectively enforce unpaid support orders.

Reason for child support arrearages

Although there are numerous reasons for sporadic or no child support payments, common themes emerge. There are certain child support debtors that are very difficult for the state to communicate with and even locate. These debtors include parents with a sporadic work history, who are self-employed or receive their wages in cash.

Other states have successfully found these debtors and helped families collect child support payments using this tool. Colorado has successfully implemented a similar process to SB 459.

Recreational License Sanctions

At the point of sale, Department of Wildlife and Parks can match applicants with a list of child support debtors. This capability is due to technology at the Department that electronically issues hunting licenses, permits and tags.

When applying, the basic information from the applicant will be immediately matched to a list of support debtors. When there is a match, the person applying for the license will be educated about the options available. If the applicant is a support debtor, the matter must be resolved before the license, permit, or tag can be issued.

The Importance of Child Support

Child support is a critical source of support for many low- and moderate-income families. As we look at ways to support vulnerable Kansans with limited state and federal dollars, it is clear that child support is an effective and efficient support. Not only does child support potentially save children and families from experiencing poverty, but it also benefits the state economically through a reduced need to provide cash assistance, food stamps, and Medicaid.

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*Senate Natural Resources
2-9-06
ATTACHMENT 2*

At the child development level, children whose noncustodial parents pay child support have more contact with them, potentially providing the children with emotional as well as financial support. Research also indicates that children with parental contact have better grades, better test scores, fewer behavior problems, and remain in school longer.

Despite court orders, many Kansas families get sporadic or no child support. From the experience in other states, it is clear that Kansas can do a better job helping these families. SB 459 will give Kansas an effective and efficient tool that can decrease families' dependence on public assistance. I strongly encourage you to support this bill.

The Importance of Child Support

If child support orders were established and followed for families needing support, the state could experience substantial savings.

Researchers have estimated that if all families who needed child support had orders in place, and those orders were fully enforced:

- cash assistance costs for families would drop 26%
- food stamp costs would drop 19%
- Medicaid costs would drop 5%

Child Support Enforcement Improves Child Well-being

There is increasing evidence that children in single-parent families who regularly receive child support do better in a variety of ways than children who do not receive such support. Research indicates that the receipt of child support appears to have a positive effect on children's achievement in school, reduces divorce rates, deters non-marital births, and that fathers who pay child support are more involved with their children.

Child Support in Kansas *A Critical Source of Support for Families*

Child support is a critical source of economic stability for families.

Kansas can help families collect child support arrearages by expanding administrative remedies to collect unpaid child support such as liens on insurance proceeds, recreational license sanctions, administrative suspension of driving privileges, and a statewide Financial Institution Data Match.

Background

Child support payments are a critical source of economic stability for low- and moderate-income families. As we look at ways to support vulnerable Kansans with limited state and federal dollars, it is clear that child support is an effective and efficient support. Not only does child support potentially save children and families from experiencing poverty, but it also benefits the state economically through a reduced need to provide cash assistance, food stamps, and Medicaid.

Child Support in Kansas

Kansas does not do a very good job at child support establishment and enforcement. In fact, Kansas is falling behind the national average on nearly every category according to FFY 2003 Federal Performance Measures. One of the reasons that Kansas does not compare well to other states is that we do not have a lot of the tools other states use to collect support arrearages.

Although they do require an initial investment from the state, these processes and procedures will enable the Kansas Child Support Enforcement program to help families become independent of public assistance and reduce net state expenditures for public assistance. These administrative procedures include:

- Liens on insurance proceeds
- Recreational license sanctions
- Administrative suspension of driving privileges
- A statewide Financial Institution Data Match.

KANSAS

DEPARTMENT OF WILDLIFE & PARKS

KATHLEEN SEBELIUS, GOVERNOR

**Testimony on SB 459 relating to Permit Issuance
To
Senate Natural Resources**

**By Christopher J. Tymeson
Chief Legal Counsel
Kansas Department of Wildlife and Parks**

February 9, 2006

Senate Bill No. 459 would create a new statute relating to issuances of licenses. The provisions of this bill would be effective on July 1, 2006. **The Department supports the provisions contained in the bill.**

The bill would preclude the issuance of any license permit, stamp, tag or other issue of the Department to an applicant upon request of the Secretary of Social and Rehabilitation Services. The request would be made quarterly to the Department and would contain a list of individuals who owe arrearages under Title IV-D child support orders. Upon denial, vendors of the Department would have to provide written notice to the applicant and how the applicant could dispute the action. The bill also contains provisions for release of the hold on the license purchase.

Currently K.S.A. 32-930 precludes the issuance of lifetime licenses in similar fashion to this bill. When requirements for Title IV-D went into effect in the late 1990's, the State was required to implement procedures to restrict recreational license and permit sales. However, due to a decentralized paper licensing system utilizing local vendors, the Department opposed legislation restricting the issuance of all licenses and permits. Compliance was an impossibility at that time. As a compromise, the Department agreed to restrict lifetime licenses, which were the only centralized license issued by the Department. Now that the Department does have an automated licensing system, it is possible to comply further with the federal requirements for restricting recreational licenses and permits.