

1 Thomas J. Berning, Bar No. 005370
2 WILLIAM E. MORRIS INSTITUTE FOR JUSTICE
3 110 North Stone Avenue, Suite 305
4 Tucson, Arizona 85701
5 Attorney for Plaintiffs

6 Tom Chandler, Bar No. 000365
7 Charles Davis, Bar No. 013386
8 CHANDLER, TULLAR, UDALL & REDHAIR
9 83 North Stone, Suite 2100
10 Tucson, Arizona 85701
11 Attorneys for Defendant

12 Janet Napolitano
13 Attorney General
14 Kim D. Gillespie, Bar No. 006871
15 Therese L. Martin, Bar No. 004585
16 Assistant Attorneys General
17 1275 W. Washington
18 Phoenix, Arizona 85007
19 Phone: 602-542-9975
20 Attorneys for Defendant

21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100
101
102
103
104
105
106
107
108
109
110
111
112
113
114
115
116
117
118
119
120
121
122
123
124
125
126
127
128
129
130
131
132
133
134
135
136
137
138
139
140
141
142
143
144
145
146
147
148
149
150
151
152
153
154
155
156
157
158
159
160
161
162
163
164
165
166
167
168
169
170
171
172
173
174
175
176
177
178
179
180
181
182
183
184
185
186
187
188
189
190
191
192
193
194
195
196
197
198
199
200
201
202
203
204
205
206
207
208
209
210
211
212
213
214
215
216
217
218
219
220
221
222
223
224
225
226
227
228
229
230
231
232
233
234
235
236
237
238
239
240
241
242
243
244
245
246
247
248
249
250
251
252
253
254
255
256
257
258
259
260
261
262
263
264
265
266
267
268
269
270
271
272
273
274
275
276
277
278
279
280
281
282
283
284
285
286
287
288
289
290
291
292
293
294
295
296
297
298
299
300
301
302
303
304
305
306
307
308
309
310
311
312
313
314
315
316
317
318
319
320
321
322
323
324
325
326
327
328
329
330
331
332
333
334
335
336
337
338
339
340
341
342
343
344
345
346
347
348
349
350
351
352
353
354
355
356
357
358
359
360
361
362
363
364
365
366
367
368
369
370
371
372
373
374
375
376
377
378
379
380
381
382
383
384
385
386
387
388
389
390
391
392
393
394
395
396
397
398
399
400
401
402
403
404
405
406
407
408
409
410
411
412
413
414
415
416
417
418
419
420
421
422
423
424
425
426
427
428
429
430
431
432
433
434
435
436
437
438
439
440
441
442
443
444
445
446
447
448
449
450
451
452
453
454
455
456
457
458
459
460
461
462
463
464
465
466
467
468
469
470
471
472
473
474
475
476
477
478
479
480
481
482
483
484
485
486
487
488
489
490
491
492
493
494
495
496
497
498
499
500
501
502
503
504
505
506
507
508
509
510
511
512
513
514
515
516
517
518
519
520
521
522
523
524
525
526
527
528
529
530
531
532
533
534
535
536
537
538
539
540
541
542
543
544
545
546
547
548
549
550
551
552
553
554
555
556
557
558
559
560
561
562
563
564
565
566
567
568
569
570
571
572
573
574
575
576
577
578
579
580
581
582
583
584
585
586
587
588
589
590
591
592
593
594
595
596
597
598
599
600
601
602
603
604
605
606
607
608
609
610
611
612
613
614
615
616
617
618
619
620
621
622
623
624
625
626
627
628
629
630
631
632
633
634
635
636
637
638
639
640
641
642
643
644
645
646
647
648
649
650
651
652
653
654
655
656
657
658
659
660
661
662
663
664
665
666
667
668
669
670
671
672
673
674
675
676
677
678
679
680
681
682
683
684
685
686
687
688
689
690
691
692
693
694
695
696
697
698
699
700
701
702
703
704
705
706
707
708
709
710
711
712
713
714
715
716
717
718
719
720
721
722
723
724
725
726
727
728
729
730
731
732
733
734
735
736
737
738
739
740
741
742
743
744
745
746
747
748
749
750
751
752
753
754
755
756
757
758
759
760
761
762
763
764
765
766
767
768
769
770
771
772
773
774
775
776
777
778
779
780
781
782
783
784
785
786
787
788
789
790
791
792
793
794
795
796
797
798
799
800
801
802
803
804
805
806
807
808
809
810
811
812
813
814
815
816
817
818
819
820
821
822
823
824
825
826
827
828
829
830
831
832
833
834
835
836
837
838
839
840
841
842
843
844
845
846
847
848
849
850
851
852
853
854
855
856
857
858
859
860
861
862
863
864
865
866
867
868
869
870
871
872
873
874
875
876
877
878
879
880
881
882
883
884
885
886
887
888
889
890
891
892
893
894
895
896
897
898
899
900
901
902
903
904
905
906
907
908
909
910
911
912
913
914
915
916
917
918
919
920
921
922
923
924
925
926
927
928
929
930
931
932
933
934
935
936
937
938
939
940
941
942
943
944
945
946
947
948
949
950
951
952
953
954
955
956
957
958
959
960
961
962
963
964
965
966
967
968
969
970
971
972
973
974
975
976
977
978
979
980
981
982
983
984
985
986
987
988
989
990
991
992
993
994
995
996
997
998
999
1000

151 Linda Hoffman; Sally Zachman;)
152 and Julie Ochoa, individually and)
153 on behalf of all others similarly)
154 situated,)
155
156 Plaintiffs,)
157
158)
159)
160)
161)
162)
163)
164)
165)
166)
167)
168)
169)
170)
171)
172)
173)
174)
175)
176)
177)
178)
179)
180)
181)
182)
183)
184)
185)
186)
187)
188)
189)
190)
191)
192)
193)
194)
195)
196)
197)
198)
199)
200)
201)
202)
203)
204)
205)
206)
207)
208)
209)
210)
211)
212)
213)
214)
215)
216)
217)
218)
219)
220)
221)
222)
223)
224)
225)
226)
227)
228)
229)
230)
231)
232)
233)
234)
235)
236)
237)
238)
239)
240)
241)
242)
243)
244)
245)
246)
247)
248)
249)
250)
251)
252)
253)
254)
255)
256)
257)
258)
259)
260)
261)
262)
263)
264)
265)
266)
267)
268)
269)
270)
271)
272)
273)
274)
275)
276)
277)
278)
279)
280)
281)
282)
283)
284)
285)
286)
287)
288)
289)
290)
291)
292)
293)
294)
295)
296)
297)
298)
299)
300)
301)
302)
303)
304)
305)
306)
307)
308)
309)
310)
311)
312)
313)
314)
315)
316)
317)
318)
319)
320)
321)
322)
323)
324)
325)
326)
327)
328)
329)
330)
331)
332)
333)
334)
335)
336)
337)
338)
339)
340)
341)
342)
343)
344)
345)
346)
347)
348)
349)
350)
351)
352)
353)
354)
355)
356)
357)
358)
359)
360)
361)
362)
363)
364)
365)
366)
367)
368)
369)
370)
371)
372)
373)
374)
375)
376)
377)
378)
379)
380)
381)
382)
383)
384)
385)
386)
387)
388)
389)
390)
391)
392)
393)
394)
395)
396)
397)
398)
399)
400)
401)
402)
403)
404)
405)
406)
407)
408)
409)
410)
411)
412)
413)
414)
415)
416)
417)
418)
419)
420)
421)
422)
423)
424)
425)
426)
427)
428)
429)
430)
431)
432)
433)
434)
435)
436)
437)
438)
439)
440)
441)
442)
443)
444)
445)
446)
447)
448)
449)
450)
451)
452)
453)
454)
455)
456)
457)
458)
459)
460)
461)
462)
463)
464)
465)
466)
467)
468)
469)
470)
471)
472)
473)
474)
475)
476)
477)
478)
479)
480)
481)
482)
483)
484)
485)
486)
487)
488)
489)
490)
491)
492)
493)
494)
495)
496)
497)
498)
499)
500)
501)
502)
503)
504)
505)
506)
507)
508)
509)
510)
511)
512)
513)
514)
515)
516)
517)
518)
519)
520)
521)
522)
523)
524)
525)
526)
527)
528)
529)
530)
531)
532)
533)
534)
535)
536)
537)
538)
539)
540)
541)
542)
543)
544)
545)
546)
547)
548)
549)
550)
551)
552)
553)
554)
555)
556)
557)
558)
559)
560)
561)
562)
563)
564)
565)
566)
567)
568)
569)
570)
571)
572)
573)
574)
575)
576)
577)
578)
579)
580)
581)
582)
583)
584)
585)
586)
587)
588)
589)
590)
591)
592)
593)
594)
595)
596)
597)
598)
599)
600)
601)
602)
603)
604)
605)
606)
607)
608)
609)
610)
611)
612)
613)
614)
615)
616)
617)
618)
619)
620)
621)
622)
623)
624)
625)
626)
627)
628)
629)
630)
631)
632)
633)
634)
635)
636)
637)
638)
639)
640)
641)
642)
643)
644)
645)
646)
647)
648)
649)
650)
651)
652)
653)
654)
655)
656)
657)
658)
659)
660)
661)
662)
663)
664)
665)
666)
667)
668)
669)
670)
671)
672)
673)
674)
675)
676)
677)
678)
679)
680)
681)
682)
683)
684)
685)
686)
687)
688)
689)
690)
691)
692)
693)
694)
695)
696)
697)
698)
699)
700)
701)
702)
703)
704)
705)
706)
707)
708)
709)
710)
711)
712)
713)
714)
715)
716)
717)
718)
719)
720)
721)
722)
723)
724)
725)
726)
727)
728)
729)
730)
731)
732)
733)
734)
735)
736)
737)
738)
739)
740)
741)
742)
743)
744)
745)
746)
747)
748)
749)
750)
751)
752)
753)
754)
755)
756)
757)
758)
759)
760)
761)
762)
763)
764)
765)
766)
767)
768)
769)
770)
771)
772)
773)
774)
775)
776)
777)
778)
779)
780)
781)
782)
783)
784)
785)
786)
787)
788)
789)
790)
791)
792)
793)
794)
795)
796)
797)
798)
799)
800)
801)
802)
803)
804)
805)
806)
807)
808)
809)
810)
811)
812)
813)
814)
815)
816)
817)
818)
819)
820)
821)
822)
823)
824)
825)
826)
827)
828)
829)
830)
831)
832)
833)
834)
835)
836)
837)
838)
839)
840)
841)
842)
843)
844)
845)
846)
847)
848)
849)
850)
851)
852)
853)
854)
855)
856)
857)
858)
859)
860)
861)
862)
863)
864)
865)
866)
867)
868)
869)
870)
871)
872)
873)
874)
875)
876)
877)
878)
879)
880)
881)
882)
883)
884)
885)
886)
887)
888)
889)
890)
891)
892)
893)
894)
895)
896)
897)
898)
899)
900)
901)
902)
903)
904)
905)
906)
907)
908)
909)
910)
911)
912)
913)
914)
915)
916)
917)
918)
919)
920)
921)
922)
923)
924)
925)
926)
927)
928)
929)
930)
931)
932)
933)
934)
935)
936)
937)
938)
939)
940)
941)
942)
943)
944)
945)
946)
947)
948)
949)
950)
951)
952)
953)
954)
955)
956)
957)
958)
959)
960)
961)
962)
963)
964)
965)
966)
967)
968)
969)
970)
971)
972)
973)
974)
975)
976)
977)
978)
979)
980)
981)
982)
983)
984)
985)
986)
987)
988)
989)
990)
991)
992)
993)
994)
995)
996)
997)
998)
999)
1000)

No. c331471

STIPULATION
TO DISMISS

(Assigned to
the Honorable
Deborah Bernini)

1 **ALLEGATIONS/DENIALS/CLASS CERTIFICATION**

2 The Complaint in this class action alleged that certain
3 practices of the Director of the Arizona Department of
4 Economic Security ("defendant") regarding the collection,
5 distribution and disbursement of support as defined in A.R.S.
6 : 25-500, violated the due process clause of the United States
7 Constitution and federal law.

8
9 Plaintiffs sought injunctive relief, an accounting as to
10 all members of the class, more notice to obligees of support
11 collections and the distribution/disbursement of support,
12 "release" of any collections improperly withheld, and a due
13 process grievance procedure, plus costs and attorney's fees.

14
15 The defendant has denied all of plaintiff's allegations
16 and any and all liability as to the allegations of the
17 February 11, 1999 Complaint.

18 The parties agree that the class need not be certified.

19
20 Nothing contained in this Stipulation ("Stipulation"), or
21 in the attached Principles of Agreement ("Principles") shall
22 be deemed to be a finding or an admission that defendant has
23 in any manner violated plaintiffs' rights as enumerated in the
24 Constitutions, statutes, rules or regulations of the United
25 States or the State of Arizona.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

PRINCIPLES OF AGREEMENT

The parties have agreed to resolve all the issues in this litigation without further proceedings and without admitting any fault or liability.

The parties desire to settle this action on the terms and conditions agreed to in the Stipulation, including the Principles that are attached as Exhibit "A," in exchange for dismissal of this action. Exhibit "A" to this Stipulation is a material and integral part hereof and is fully incorporated herein by this reference.

The failure of either party to implement or otherwise execute any matter agreed to in the Stipulation or Principles, without the written agreement of the other party or the party's authorized representatives or counsel, shall constitute a violation of this Stipulation and shall be fully enforceable before this Court.

JURISDICTION OF THE COURT

This Court shall retain jurisdiction over this Stipulation and the Principles for enforcement purposes, but only during the term specified in Section X of the Principles.

PUTATIVE CLASS MEMBERS

No provision of this Stipulation or the Principles shall infringe upon the right of any unnamed member of the putative class to seek relief against defendant in an appropriate forum

1 or an alleged violation of federal law pleaded in this
2 atter. As to the named plaintiffs, they agree to be bound by
3 he terms of this Stipulation and the Principles.

4 The Order of Dismissal will be res judicata as to the
5 named plaintiffs as to all allegations of the Complaint,
6 through the date the Court signs the Order of Dismissal in
7 this action.

8
9 **GENERAL PROVISIONS**

10 No provision of this Stipulation or the Principles shall
11 be deemed a waiver by the defendant of his or the State of
12 Arizona's rights under the Tenth or Eleventh Amendments to the
13 United States Constitution.

14 Defendant agrees to pay, pursuant to 42 U.S.C. 5 1988,
15 plaintiffs' attorney's fees in the sum of \$55,000, by warrant
16 payable to the William E. Morris Institute for Justice within
17 60 days of the date the Court approves this Stipulation
18 (including the Principles) and signs the Order of Dismissal¹.
19 Such payment shall be in full satisfaction of any and all
20 claims against defendant, the Department of Economic Security,
21 its agents, instrumentalities and contractors (including Pima
22 county, its clerk and county attorney), as well as the State
23 of Arizona for attorney's fees, costs and expenses arising out
24 of this action and the preceding federal court action in the
25
26
27
28

J. S. District Court for Arizona, denominated *Linda Hoffman v. Linda Blessing*, No. CIV 98-113 TUC-RHW.

Plaintiffs' Complaint alleges that during the relevant timeframe, the named plaintiffs (Linda Hoffman, Sally Zachman, and Julie Ochoa) did not receive all of the child support to which they were entitled and which had been paid to the State by the non-custodial parent on their behalf and that of their child(ren). Defendant has denied this allegation, contending that not only were the named plaintiffs forwarded all of the support to which they were entitled, but that in some cases they may have received more than the total amount of support to which they were entitled. Nevertheless, in order to resolve this matter, defendant has agreed to pay to named plaintiffs the following sums as whole and complete compensation for their claims, whether meritorious or not: to plaintiff Linda Hoffman, the amount of six thousand, five hundred dollars (\$6,500.00); to plaintiff Sally Zachman, the amount of three thousand five hundred dollars (**\$3,500.00**); and to plaintiff Julie Ochoa, the amount of one thousand five hundred dollars (\$1,500.00).

These amounts shall also be paid by warrant within 60 days of the Court's approval of the Stipulation, Principles and Order of Dismissal. These amounts are in full satisfaction of any and all claims the named plaintiffs in

1 this matter may have against defendant, the Department of
2 Economic Security, its agents, instrumentalities and
3 contractors (including Pima County, its clerk and county
4 attorney), as well as the State of Arizona, as to their closed
5 and open child support cases, through the date the Court signs
6 the Order of Dismissal.

7 Prior to a party making a motion for enforcement,
8 contempt, clarification or other determination arising out of
9 this matter, that party agrees to and shall consult with the
10 other party in an attempt to resolve any dispute or issue.
11 Clarifications or minor amendments to the Stipulation or the
12 Principles shall be made in writing and submitted to the other
13 party's counsel for acceptance.

14 This Stipulation and the Principles are binding upon the
15 parties, their successors and assigns.

16 RECORD RETENTION

17 The parties agree that as of the date of the Court's
18 signing the Order of Dismissal in this matter, the
19 defendant/Department of Economic Security, its agents,
20 instrumentalities and contractors, may follow record retention
21 schedules/the provisions of contracts as authorized by law.
22 This applies to all AFDC/TANF and child support records, as
23 well as those of the Division of Technology Services relating
24 to the Arizona Tracking and Locate Automated System (ATLAS),
25
26
27
28

1 and any other DES records, or those of its agents and
2 contractors relating to the AFDC/TANF programs and. child
3 support operations.
4

5 **STIPULATION TO DISMISS**

6 The parties hereby stipulate pursuant to Rule 41(a) (1),
7 A..R.C.P. to dismiss this action, and request that the Court
8 enter an Order dismissing this matter. A proposed Order is
9 submitted along with this Stipulation.

10 Dated this _____ day of _____, **2002.**
11

12
13 WILLIAM E. MORRIS
14 INSTITUTE FOR JUSTICE

15 **By** _____
16 Thomas J. Berning
17 Attorney for Plaintiffs

18 CHANDLER, TULLAR, UDALL & REDHAIR

19 *Tom Chandler*
20 **BY** *Charles Davis* _____
21 Tom Chandler
22 Charles Davis
23 Attorneys for Defendant

24 JANET NAPOLITANO
25 Attorney General

26 **By** & % L 2 u % 4 d + - = - _____
27 Kim D. Gillespie
28 Therese L. Martin
Assistant Attorneys General
Attorneys for Defendant

The undersigned acknowledge that they or their authorized representatives have been directly involved in the negotiations of the Stipulation and the Principles, and they understand and all agree to be bound by them.

ARIZONA DEPARTMENT OF ECONOMIC SECURITY

By John Clayton
John Clayton, in his official capacity as
Director of the Arizona Department of
Economic Security

WILLIAM E. MORRIS INSTITUTE FOR JUSTICE

BY _____
Eddie Sissons, in her official capacity as
Executive Director of the William E..
Morris Institute for Justice

original of the foregoing lodged/filed
his _____ day of _____, **2002**.

copies of the foregoing mailed
his _____ day of _____, **2002** to:

the Honorable Deborah Bernini
Superior Court
County of Pima
10 W. Congress Street
Tucson, Arizona 85701

EXHIBIT A
PRINCIPLES OF AGREEMENT

I.

Introduction

This case is a complex class action brought pursuant to the U. S. Civil Rights Act, 42 U.S.C. § 1983, against John Clayton, the Director of the Arizona Department of Economic Security (in his official capacity) (hereinafter, "Department" or "defendant") .

The putative class, for purposes of this agreement, is as follows: All persons, now resident in the State of Arizona who, while residing in this State and not receiving public assistance from it, pursuant to Title IV-A of the Social Security Act, then were or currently are, custodial persons provided child support collection/distribution/disbursement services by Arizona's Title IV-D program (including all of its agents, contractors and instrumentalities), in whose cases child support payments were collected or are being collected:

(a) by the Title IV-D programs of other states, which forwarded or are forwarding to the Arizona IV-D program such collections, one or more of which the Arizona program has not disbursed in full to the aforesaid custodial persons; or (b) by the Arizona IV-D program, which has not disbursed in full to the aforesaid custodial person one or more of these collections.

The Complaint, in essence, alleges that the Department has violated the putative class' rights to procedural due process of law, under both the Federal and State Constitutions, as well as federal statutes and regulations, by failing to provide adequate notice of the collection, distribution and disbursement of child support payments, as well as failing to create and implement an adequate grievance procedure for complaints regarding distribution and disbursement. Additionally, plaintiffs substantively allege that with respect to both named plaintiffs and putative class members, the Department has collected child support from non-custodial parents and failed to either properly and/or timely disburse the payments to them. The defendant has denied all of plaintiffs' procedural and substantive allegations.

Following lengthy informal discovery and extensive / negotiations, the parties have reached agreement on all issues contained in the Complaint. The parties have agreed upon terms contained in a Stipulated Dismissal under Rule 41(a)(1), A.R.C.P. and the following Principles of Agreement (hereinafter "Principles") which reflect the goals and efforts directed and to be directed toward accomplishing certain changes in the Department's rules, forms, policies and practices. Attached to these Principles and incorporated by reference, are changes to statutes, a rule, policies, and notices that the parties have

agreed upon. Defendant will disseminate to child support offices in Arizona and utilize/require contractors to utilize policy, procedure and forms/notices substantially similar to those attached as exhibits.

Nothing contained in these Principles shall be deemed a finding or an admission that the defendant or Department has in any manner violated plaintiffs' rights under the Constitutions, statutes, regulations or rules of the United States or the State of Arizona. Contemporaneous with the signing of these Principles, the parties are submitting to the Court a Stipulation and Order of Dismissal, under which all counts in plaintiffs' Complaint will be voluntarily dismissed under Rule 41(a) (1), A.R.C.P.

Both plaintiffs and defendant agree that it is the goal of the defendant to provide effective and fair child support services by locating parents, establishing paternity and child support orders, and enforcing those orders to enable families to become or remain self-sufficient.

The parties have also agreed upon monetary compensation to be paid to the named plaintiffs as set forth in the Stipulation. Nothing in these Principles or in the Stipulation shall be deemed to be a finding or an admission that defendant, the Department, its agents, instrumentalities, contractors (including Pima County, its clerk and county attorney) have in

any manner violated plaintiffs' or the putative class' rights as contained in the Constitutions, statutes, regulations or rules of the United States or the State of Arizona.

II.

Statutory Changes

The parties agreed that in order to effectuate the terms of these Principles certain statutory changes were required. The changes to A.R.S. §§ 25-320,-503,-504,-522,46-402,-408 and -441 that were agreed to by the parties and which **were** passed by the legislature and signed by the Governor in 2002 are attached as Exhibit "1". These are intended to enhance the Department's (as well as clerks of courts) opportunity and efforts to locate missing obligees for whom child support has been collected, prior to returning the support to the obligor. The legislation also provides that when an obligee has requested an administrative review of a Departmental distribution or disbursement, that the obligee has adequate time to acquire the necessary documents and information to effectively present his/her position, and that the Department also has adequate time to acquire any information it deems necessary to make an informed decision. The language also addresses when Notices of Collections are to be sent to obligees, adds definitions and clarifies timelines for all involved.

III.

Rule Change

The parties agree that defendant shall propose at least one new rule elaborating upon the administrative review procedure for obligees who contest distribution or disbursement of support payments/receipts. A copy of the proposed rule (A.A.C. R6-7-801) is attached as Exhibit "2". This rule is intended to reflect the parties' agreement concerning what is necessary to supplement legislation dealing with procedural due process as well as to comply with 42 U.S.C. § 654(5) and federal regulations at 45 C.F.R. § 303.35.

The parties understand that the proposed rule must be published for comment in accordance with the Arizona Administrative Procedure Act, as amended, A.R.S. §§ 41-1021 -1036 and its implementing rules consistent with changes made by the Legislature in 2002. Defendant represents that he will make reasonable efforts designed to result in publication of the proposed rule as soon as is practicable. If, after having received comments from the public and the Governor's Regulatory Review Council staff, and advice of counsel, defendant determines not to publish the rule in substantially the same form as set forth in Exhibit "2", then defendant shall meet with plaintiffs' counsel and engage in good faith discussions

regarding changes to the rule that will be promulgated consistent with state and federal law.

IV.

Suspense Issues

The parties agree on the importance of minimizing the amount of collected support that is returned to an obligor because an obligee cannot be located. In order to address this issue, the parties have agreed to the revisions to A.R.S. §§ 25-320, -503, -504 and 46-441 (contained within Exhibit "1") which extend the amount of time that the support payment clearinghouse has to locate an obligee for whom support has been collected. The parties agree that, if implemented, the procedures outlined in the Department's March 20, 2001, "Manual Locate Procedure for Missing Parents" meet the requirements of "reasonable efforts".

Additionally, defendant agrees to utilize a variety of methods to communicate to custodial persons the need to inform the Department of any change of address. This would include some or all of the following methods: signs in its own and contractors' child support offices, inclusion in written notices routinely mailed to recipients of IV-D services, inclusion in child support orders and judgments, inclusion of a message on the Department's Integrated Voice Response (IVR)

system, and, as enhancements are made, inclusion on the Department's web site.

V.

Notice

The parties agree that obligees should receive prompt, accurate and meaningful written notice sufficient to understand the distribution and disbursement of each support collection, to identify errors in processing support payments received by the Department or its contractor, and to receive adequate notice of the availability of the Department's administrative procedures for addressing errors. Notices or letters substantially similar to those attached in Exhibits "3-10" shall be periodically issued by the Department or be sent by the Department when an obligee seeks administrative review of distribution or disbursement. Exhibit 11 is a Notice of Appeal form which will be sent with decision letters. Forms relating to the receipt, distribution and disbursement of support, and the administrative review process to question or contest same, are summarized as follows:

1. Obligee Notices of Collections. These documents inform obligees of the amounts of support received, distributed and disbursed in all their open cases. They also include an explanation of terms used and relevant law. Exhibit "3" shall be provided beginning in January, 2003 for the month of

December, 2002, to "current TAYXF assistance" and "former AFDC/TANF assistance" obligees for each month for which a support collection is received. A document similar to Exhibit ¹¹4¹ will be provided on a quarterly basis beginning April, 2003, for the first calendar quarter of 2003, if no support collections are received for that period to "current TANF assistance" or "former AFDC/TANF assistance" obligees. A document similar to Exhibit "5" shall be provided on a quarterly basis, beginning in April, 2003, with relevant data for the first calendar quarter of 2003 (January-March), to obligees who have never received cash assistance from the State.

2. Request for Administrative Review. Exhibit "6" shall be provided to all obligees who have orally requested an administrative review or asked for a form to use to seek an administrative review of their support distribution or disbursement.
3. Acknowledgments of Receipt of Request for Administrative Review. Exhibit "'7" or "8" is, as appropriate, to be provided to an obligee who has requested an administrative review pursuant to A.R.S. § 46-408 and proposed A.A.C. R7-6-801.
4. Letter Declining Review as Untimely Requested. Exhibit "9" is the letter the Department or its agent would use if the

Request for Administrative Review is filed outside the statutory time limit specified in A.R.S. § 46-408(C).

5. Letter Declining Review as Not Authorized by A.R.S. 5 46-408. Exhibit "10^U" is the letter the Department or its agent would use if the Request for Administrative Review was not one relating to distribution or disbursement of support.

6. Response to Obligee's Request for Administrative Review Exhibits "11" and "12" are the formats for written decisions that

shall be provided to obligees when the Department or its agent completes the administrative review. ("ff11" is for "current TANF assistance" and "former AFDC/TANF assistance" obligees; "12¹" is for obligees who have never received cash assistance from the state). A.R.S. § 46-408 and proposed A.A.C. R7-6-801.

7. Notice of Appeal. Exhibit "13" is to be provided to obligees along with the Response to Obligee's Request for Administrative Review/written decision.

VI.

Overpayments

Defendant agrees to waive any right to collect any overpayment of collected, distributed and/or disbursed support, that has been incorrectly paid to any named or unnamed member

of the putative class described in Section I of these Principles on or before April 1, 1999. This waiver means that defendant will not take court action, initiate state income tax refund offset for a child support related debt owed the state, refer the matter to collections (private vendor), or send out letters/make other requests for repayment of any overpayments made prior to April 1, 1999.

The waiver shall not apply to any overpayment occasioned by: 1) fraud on the part of the obligee, an agent or co-conspirator of the obligee; 2) (for current child support only) the death of a child covered by the court order if there was assigned support due the State when the overpayment(s) was/were made; 3) the death of the obligee, which payment is received and used by any person not having physical custody of the child(ren) the support is intended to benefit.

/ This does not waive any rights an obligor may have to collect overpayments paid to the obligee.

The parties agree that within 30 days of the Court's signing the Order of Dismissal, the department shall select and name an employee to serve as "Ombudsman" who will, in part, provide assistance to custodial persons or obligees in connection with any distribution/disbursement related issues that arise. Defendant agrees that a department employee shall serve as this Ombudsman, that this position need not be full

time, and that the individual may engage in other duties. On a quarterly basis beginning April, 2003, the "Ombudsman" shall provide the parties with a summary report of the first quarter of calendar year 2003, in a format to be agreed upon, of all work related to these Principles in which the Ombudsman has engaged. Any information deemed confidential by the Department may be redacted from this reporting.

VII.

Monitoring and Quality Assurance

The parties agree that on a quarterly basis beginning in April, 2003, for the first calendar quarter of 2003, the Department will provide plaintiffs' counsel with written summaries of all disbursement/distribution administrative reviews and appeals that were filed, still pending a final decision, or decided during the preceding quarter. Any confidential information contained in these reports can be redacted.

Additionally, the parties agree that on a quarterly basis, for a period of at least two full years after the first month reported in the first quarterly "report", the Department shall utilize the services of a mutually agreed upon "independent auditor" to review the accuracy of 30 randomly selected distribution/disbursement cases. The review shall occur as to a universe of cases with collections, via a methodology, and in

a format all to be agreed upon in writing by the parties.

Copies of the written reports shall be provided to counsel for the parties at the addresses contained herein unless either is notified in writing of a new address.

The auditor that the parties agree upon shall, prior to engaging in a review of cases covered by this agreement, receive training from one or more Department or Attorney General's Office trainers approved by plaintiffs in: 1) child support law relating to the collection, distribution and disbursement of support; 2) ATLAS and case files, including payment histories; 3) Support Payment Clearinghouse policies and procedures; and 4) reading and understanding court orders.

The defendant shall pay the auditor not more than \$ 60,000 for attending training and meetings and rendering services in this matter. However, after 120 cases have been reviewed by the auditor for distribution and disbursement of collections, the parties shall review the work performed to date and the cost of the work. If it appears that the work cannot be completed within the \$80,000 limit of the auditor's cost, then the parties will meet and make a good faith effort to determine how the balance of the available funds should be spent on the auditing function, and at the same time make a good faith effort to resolve any issues as to the auditor or the reports being provided.

The procurement of this auditor's professional services is exempt from the Arizona Procurement Code pursuant to A.R.S. 5 41-2501(0).

The Department will provide the auditor with: work space, a telephone, computer, supplies and staff for copying, etc. This will be located in a currently leased department facility.

VIII.

Publicity

The parties and their counsel agree not to solicit any media coverage, within or without the State of Arizona, concerning the Complaint or Stipulation (including the Principles).

However, nothing herein is intended to otherwise prohibit plaintiffs' counsel from discussing the Complaint or Stipulation (including the Principles) as part of his regular course of business or from sharing the results of this case with other advocates, the Institute's Board of Directors, present and future sources of funding, and other similar persons or entities. Similarly, nothing herein is intended to prevent defendant, his counsel or employees of the Department from discussing the Complaint or Stipulation (including the Principles) as a part of their regular course of business, or from sharing the results of this case with state or federal IV-

D, audit, legislative or research staff, IV-D contractors and others as needed in the ordinary course of business.

IX.

Changes to Programs or Services

Nothing contained in the Stipulation (including the Principles) shall prevent the defendant or Department from making any future changes to any programs or services referred to in the Complaint or these filings (including TANF), or changes to any forms, policies or procedures specifically covered by the Stipulation (including the Principles), so long as the changes:

- 1) Are authorized by current law, by changes in federal or state law, or required by final governing court decisions, and
- 2) Do not substantially diminish the due process rights of the putative class.

X.

Termination of Defendant's Obligations

The Court's continuing jurisdiction to enforce the terms of a Court approved Stipulation (including the Principles) shall terminate 2 years after the date of the first month covered by the auditor in the audit reports required in Section VII. Except, however, the Court's jurisdiction shall not lapse as to any motion pending before the Court in this action.

All of the auditor's, Ombudsman's, defendant/s/the Department's, its agents', instrumentalities' and contractors' reporting and audit obligations under Sections VI and VII shall terminate and be of no further force and effect 2 years from the date described in paragraph one of this section or as otherwise agreed upon in writing.

Plaintiffs agree that they shall not seek to enforce the reporting, auditing or Ombudsman provisions of Sections VI and VII of these Principles against the defendant, his successor, the Department/any successor entity, their agents or contractors, the Governor or the State of Arizona on behalf of any named plaintiff or any putative class member after the date described in paragraph one of this section. However, the defendant's agreement to not attempt to collect overpayments allegedly made to named and unnamed members of the putative /class up to April 1, 1999, will survive the end date specified in paragraph one of this section unless otherwise ordered by a court.

XI.

Modifications

No change or addition to, or deletion of, any term or portion of the Stipulation (including the Principles) shall be valid or binding upon the parties unless approved in writing

and signed by counsel for the parties (an Assistant Attorney General for defendant/the Department).

XII.

Good Faith

The parties agree to cooperate in good faith to effectuate all the terms of the Stipulation (including the Principles).

The defendant will make good faith efforts to promptly and fully explain to his employees, county and private child support contractors, the terms of the Stipulation (including the Principles), as well as oversee compliance with the terms agreed upon/ordered.

B. The scientific criminal anahsis section established in section 41-1771 shall establish procedures for the imple&entation of ~~M&&XX '2 ?I'a section~~ 13-610, sibsection H.

Sec. 5. &&ion 41-2419, Arizona Revised Statutes, is amended to read:

\$ 41-2419; Arizona deoqribonucleic acid identification system fund

"A. The Arizona debx?Tibonucleic acid identification system fund is established. The Arizona deox.tibonucleic acid identification system fimd consists of monies colkcted pursuant to section 12-116.01 and distributed pursuant to section 4172401, subsection D, parakaph 6, monies collected pursuant to section 0,1_3c1 12-116.01, subsection C 'ahd distributedgursuant to section 12.. 1 16.01, subjection J and momes contributed to the fund from any other source. Un notice Porn the department. of public safety, the state treasurer shall invest and divest monies in the fund as prol-ided by section 35-313, and monies earned from investment shall be credited to the fund..

. B. The &pa.rtnent'of,pubLic safety shall administer the fund.

C. Subject to .legislative aljpropriation, monies in the fund shall be used for implementing, operating and maintaining deoxyribonucleic'acid testing and for the costs of administering the system.

Sec. 6. Appropriations; purpose; exemption

A. The sum of \$2,000,000 is appropriated from the monies that ai-e collected pursuant to section 12-116.01, subsection C, Arizona Revised Statutes, and that are distributed pursuant to section 12-116.01, subsection J, paragi-aph 6, Arizona Re-vised Statutes, into the Arizona deo.\3Tibonucleic acid identific\$ion system fund in each of fiscal years 2002-2003 and 2003-2004 to the department of public safety for equipment purchases, personal services, .employee related expenses, trainirig and other operating expenses in order to implement, conduct and maintain deox2tiboriw cleic acid testing.

B. The appropriations made in subsection X of this section are exempt from the provisions of section 35-190, kizona Relised Statutes, relating to lapsing of appropriations.

-4pprored by the Governor, May 17, 2002.

' Filed in the Of&e of the Secretan of State, May li, 2002.

CHILD SUPPORT ESFORCEMENT-COSDITIOML ENACTMENT

CBN'TER 227

H.B. 2095

-AS ACT .tiiENDmG SECTIONS 25-320, 25-503, 25-504, 25-522, 4610\$ k-407, 46-40s X5-D 46341, .IRIZOSA REVISED STATUTES; XME?;DISG TITLE 46, CHAPTER 3, ARTICLE 1, ARIZOSA REVISED STATUTES, B1' ADDIKG SECTIOX 4WO9; RELATIXG TO CHILD, SLJPORT. ESFORCEMENT;; ,PROVIDISG FOR COXDI; TIOSAL EN4CTMEhT.

Be it' e?Lacted-by the iegislatwe **of** the State **of** Arisom:

Section 1. Section 25-320, Arizona Revised Statutes, is amended to read: '

0 5320. Child support; factors; methods of payment; additional enforce-ment provisions; definition!

-4. In a proceeding for dissolution of marriage, legal separation, maintenance or child support, the court may order either or both parents axing a duty of support to

a child, born to or adopted by the parents, to pay an amount reasonable and necessary for support of the child, without regard to marital misconduct. If child support has not been ordered by a child support order and if the court deems child support appropriate, the court shall direct, using a retroactive application of the child support guidelines to the date of filing a dissolution of marriage, legal separation, maintenance or child support proceeding, the amount that the parents shall pay for the past support of the child and the manner in which payment shall be paid, taking into account any amount of temporary or voluntary support that has been paid. Retroactive child support is enforceable in any manner provided by law. The supreme court shall establish guidelines for determining the amount of child support. The amount resulting from the application of these guidelines is the amount of child support ordered unless a written finding is made, based on criteria approved by the supreme court, that application of the guidelines would be inappropriate or unjust in a particular case. The supreme court shall review the guidelines at least once every four years to ensure that their application results in the determination of appropriate child support amounts. The supreme court shall base the guidelines and criteria for deviation from them on all relevant factors, including:

1. The financial resources and needs of the child.
2. The financial resources and needs of the custodial parent.
3. The standard of living the child would have enjoyed had the marriage not been dissolved.
4. The physical and emotional condition of the child, and the child's educational needs.
5. The financial resources and needs of the noncustodial parent.
6. Excessive or abnormal expenditures, destruction, concealment, or fraudulent disposition of community, joint tenancy, and other property held in common.
7. The duration of parenting time and related expenses.

B. In the case of a mentally or physically disabled child; if the court, after considering the factors set forth in subsection A of this section, deems it appropriate, the court may order support to continue past the age of majority and to be paid to the custodial parent, guardian or child, even if at the time of the filing of a petition or at the time of the final decree, the child has reached the age of majority.

C. If a child reaches the age of majority while the child is attending high school or a certified high school equivalency program, support shall continue to be provided during the period in which the child is actually attending high school or the equivalency program but only until the child reaches nineteen years of age unless the court enters an order pursuant to subsection B of this section. Notwithstanding any other provision of law, a parent paying support for a child over the age of majority pursuant to this section is entitled to obtain all records related to the attendance of the child in the high school or equivalency program.

D. If a personal check for support payments and handling fees is rightfully dishonored by the payor bank or other drawee, the person obligated to pay support shall make any subsequent support payments and handling fees only by cash, money order, cashier's check, traveler's check or certified check. If a person required to pay support other than by personal check demonstrates full and timely payment for twenty-four consecutive months, that person may pay support by personal check if these payments are for the full amount, are timely tendered and are not rightfully dishonored by the payor bank or other drawee.

E. Subsection D of this section does not apply to payments made by means of an assignment.

F. If after reasonable efforts to locate the obligee the clerk or support payment clearinghouse is unable to deliver payments for a period prescribed in section Z-503 due to the failure of the person to honor the support

has been ordered to be paid to notify the clerk or support payment clearinghouse of a change in address, the clerk or support payment clearinghouse shall not deliver further payments and shall return the payments to the obligor consistent with the requirements of section 25-503.

G. An order for child support shall assign responsibility for providing medical insurance for the child who is the subject of the support order and shall assign responsibility for the payment of any medical costs of the child that are not covered by insurance. In title IV-D cases; the parent responsible pursuant to court order for providing medical insurance for the child shall notify the support payment clearinghouse prescribed in section 46441 if the child is no longer covered under an employer's insurance plan. The support payment clearinghouse shall notify the child support enforcement agency in the department of economic security of the lapse in insurance coverage.

H. In title W-D cases the superior court shall accept for filing any documents that are received through electronic transmission if the electronically reproduced document states that the copy used for the electronic transmission was certified before it was electronically transmitted.

I. The court shall presume, in the absence of contrary testimony, that a noncustodial parent is capable of full-time employment at least at the federal adult minimum wage. This presumption does not apply to noncustodial parents who are under the age of eighteen and who are attending high school.

J. An order for support shall provide for an assignment pursuant to sections 25-504 and 25-323.

K. Each licensing board or agency that issues professional, recreational or occupational licenses or certificates shall record on the application the social security number of the applicant and shall enter this information in its data base in order to aid the department of economic security in locating parents or their assets or to enforce child support orders. This subsection does not apply to a license that is issued pursuant to title 17 and that is not issued by an automated drawing system. If a licensing board or agency allows an applicant to use a number other than the social security number on the face of the license or certificate while the licensing board or agency keeps the social security number on file, the licensing board or agency shall advise an applicant of this fact.

L. For the purposes of this section:

"Child support guidelines" means the child support guidelines that are enacted by the state supreme court pursuant to 42 United States Code sections 6.51 through 6.69B.

2. "Support" has the same meaning prescribed in section 25-500.

3. "Support payments" means the amount of money ordered by the court to be paid for the support of the minor child or children.

Sec. 2. Section 2-503, Arizona Revised Statutes, is amended to read:

25-503. Order for support; methods of payment; modification; revocation; statute of limitations; judgment on arrearages; notice; security

A. In any proceeding in which there is at issue the support of a child, the court may order either or both parents to pay any amount necessary for the support of the child. If a personal check for support payments and handling fees is rightfully dishonored by the payor bank or other drawee, any subsequent support payments and handling fees shall be paid only by cash, money order, cashier's check, traveler's check or certified check. The department may collect from the drawer of a dishonored check or draft an amount allowed pursuant to section 44-6352. Pursuant to sections 35-351 and 35-147, the department shall deposit monies collected pursuant to this subsection in a child support enforcement administration fund. If a

party required to pay support other than by personal check demonstrates full and timely payment for twenty-four consecutive months, that party may pay support by personal check if these payments are for the full amount, are timely tendered and are not rightfully dishonored by the payor bank or other drawee. On a showing of good cause, the court may order that the party or parties required to pay support give reasonable security for these payments. If the court sets an appearance bond and the obligor fails to appear, the bond is forfeited and credited against any support owed by the party required to pay support. This subsection does not apply to payments that are made by means of a wage assignment.

B. On a showing that an income withholding order has been ineffective to secure the timely payment of support and that an amount equal to six months of current support has accrued, the court shall require the obligor to give security, post bond or give some other guarantee to secure overdue support.

C. In title IV-D cases, and in all other cases subject to an income withholding order issued on or after January 1, 1994, after notice to the party entitled to receive support, the department or its agent may direct the party obligated to pay support or other payor to make payment to the support payment clearinghouse. The department or its agent shall provide notice by first class mail.

D. The obligation for current child support shall be fully met before any payments under an order of assignment may be applied to the payment of arrearages. If a party is obligated to pay support for more than one family and the amount available is not sufficient to meet the total combined current support obligation, any monies shall be allocated to each family as follows:

1. The amount of current support ordered in each case shall be added & obtain the total support obligation.

2. The ordered amount in each case shall be divided by the total support obligation to obtain a percentage of the total amount due.

3. The amount available from the obligor's income shall be multiplied by the percentage under paragraph 2 of this subsection to obtain the amount to be allocated to each family.

E. If a payment is not received within ten days after the date in the current order for payment of support that is to be paid directly to the party entitled to receive support, the support order may be enforced by all civil remedies provided by law.

F. Any order for child support may be modified or revoked on a showing of changed circumstance that is substantial and continuing, except as to any amount that may have accrued as an arrearage before the date of the filing of the notice of the motion or order to show cause to modify or revoke. The addition of health insurance coverage as defined in section 25-531, or a change in the availability of health insurance coverage may constitute a continuing and substantial change in circumstance. The order of modification or revocation may be made retroactive to the date of the filing of the notice of motion or order to show cause to modify or to revoke, or to any date after the filing. The order of modification or revocation may include an award of attorney fees and court costs to the prevailing party.

G. Notwithstanding subsection F of this section, in a title IV-D case a party or the department or its agent if there is an assignment of rights under section 46-407, may request every three years that an order for child support be reviewed and, if appropriate, adjusted. The request may be made without a specific showing of a changed circumstance that is substantial and continuing. The department or its agent shall conduct the review in accordance with the child support guidelines of this state. If appropriate, the department shall file a petition in the superior court to adjust the support amount. Every three years the department or its agent shall notify the parties of their right to request a review of the order for support. The department or its agent shall notify the parties by first class mail at their last known address or by including the notice in an order.

3X If a party in a title IV-D case requests a review and adjustment sooner than three years, the party shall demonstrate a changed circumstance that is substantial and continuing.

L The right of a party entitled to receive support or the department to receive child support payments as provided in the court order vests as each installment falls due. Each vested child support installment is enforceable as a final judgment by operation of law. Unless it is reduced to a written money judgment, an unliquidated child support judgment that became a judgment by operation of law expires three years after the emancipation of the last remaining unemancipated child who, as included in the court order. Beginning on January 1, 2000, child support orders, including modified orders, must notify the parties of this expiration date. The filing of a request for a written money judgment before the end of that period preserves the right to judgment until the court grants a judgment or the court denies the request. A request does not need to be filed within three years if:

1. The court later determines that the actions or conduct of an obligor impeded the establishment of a written money judgment, including avoiding service or notice of that action, changing a name or social security number, or leaving the state where the last support order was entered without notifying the party, to whom support is ordered to be paid or the court or the department of that party's residential and mailing addresses.

2. The court later finds that the obligor threatened, defrauded or wrongfully coerced the obligee into not filing a request to reduce any support arrearages to a written money judgment.

J. The department or its agent or a party entitled to receive support may file a request for judgment for support arrearages not later than three years after the emancipation of all of the children who were the subject of the court order. In such a proceeding there is no bar to establishing a money judgment for all of the unpaid child support arrearages for all of the children who were the subject of the court order. Notwithstanding any other law, formal written judgments for support and for associated costs and attorney fees are exempt from renewal and are enforceable until paid in full. If emancipation is disputed, this subsection shall be liberally construed to effect its intention of diminishing the limitation on the collection of child support arrearages.

li. If the department or its agent or a party entitled to receive child support or spousal maintenance if the spousal maintenance is combined with a child support order has not received court ordered payments, the department or its agent or a party may file with the clerk of the superior court a request for judgment of arrearages and an affidavit indicating the name of the party obligated to pay support and the amount of the arrearages. The request must include notice of the requirements of this section and the right to request a hearing within twenty days after service in this state or within thirty days after service outside this state. The request, affidavit and notice must be served pursuant to the Arizona rules of civil procedure on all parties including the department or its agents in title IV-D cases. In a title IV-D case, the department or its agent may serve all parties by certified mail, return receipt requested. Within twenty days after service in this state or within thirty days after service outside this state, a party may file a request for a hearing if the arrearage amount or the identity of the person is in dispute. If a hearing is not requested within the time provided, or if the court finds that the objection is unfounded, the court must review the affidavit and grant an appropriate judgment against the party obligated to pay support.

L. If after reasonable efforts to locate the obligee the clerk or support payment clearinghouse is unable to deliver payments for a period of one hundred twenty days after the date the first payment is returned as undeliverable due to the failure of a party to whom the support has been ordered to be paid to notify the clerk or support payment clearinghouse of a change in address, the clerk

or support payment clearinghouse shall return the that and all other unasked payments to the obligor unless there is an agreement of the obligor to pay assigned arrears and other debts owed to the state.

IN. For the purposes of subsections I and J of this section, a child is emancipated:

1. On the date of the child's marriage.
2. On the child's eighteenth birthday.
3. When the child is adopted.
4. When the child dies.
5. On the termination of the support obligation if support is extended beyond the age of majority pursuant to section X-501, subsection -4 or section Z-330, subsections B and C.

Sec. 3. Section 2&01, Arizona Revised Statutes, is amended to read:

§ 25-501. Order of assignment; ex parte order of assignment; responsibilities; violation; termination

A. In a proceeding in which the court orders a person to pay support the court shall, and in a proceeding in which the court orders a person to pay spousal maintenance the court may, assign to the person or agency entitled to receive the support or spousal maintenance that portion of the person's income necessary to pay the amount ordered by the court. In a proceeding in which spousal maintenance is ordered to be paid the court shall order the assignment on either party's request.

B. A person obligated by an order to pay support or spousal maintenance, the person to whom support or spousal maintenance is ordered to be paid or the department or its agent in a title W-D case may file a verified request with the clerk of the superior court requesting the clerk to issue an ex parte order of assignment for support or spousal maintenance. The ex parte order of assignment may include a payment for current support and any other support, current spousal maintenance, spousal maintenance arrearages and interest on spousal maintenance arrearages. A request filed by the department or its agent need not be verified. The request shall state:

1. The name of the person or agency entitled to receive support or spousal maintenance.
2. The monthly amount of any current support and the monthly amount of any spousal maintenance ordered by the court.
3. The specific amount requested for any support arrearages, spousal maintenance arrearages or interest.
4. The name and address of the payor to whom it is requested the order of assignment be directed and the name and social security number of the person obligated to pay support or spousal maintenance.

C. After receipt of a request for an ex parte order of assignment the clerk of the superior court, without a hearing or notice to the person obligated to pay support or spousal maintenance, shall issue an order of assignment of that portion of the person's income as is sufficient to pay the amount requested to the person or agency entitled to receive the support or spousal maintenance. On issuance of an ex parte order of assignment, the clerk shall issue a notice directed to the obligor in substantially the following form, which shall also be in Spanish:

Notice

To: The obligor (the person ordered to pay support or spousal maintenance) :

This is to notify YOU that part of your income or other monies is being taken away by the enclosed order of assignment that was issued on a request for an order of assignment that also is enclosed. The order of assignment has been issued for currently accruing child support, or spousal maintenance, or both, based on the requesting party's claim that you are obligated to pay this. In addition, the requesting party may be claiming a right to collect other support, as defined in section Z-500, Arizona Revised Statutes, and charges on spousal maintenance or interest on a judgment for unpaid spousal maintenance.

If you believe the enclosed order of assignment is improper or unlawful, that your property is exempt by law; or that your employer or other payor is withholding more than is permitted by law, you may request a hearing before the superior court. You must file a request to terminate or adjust the order of assignment on forms provided by the clerk of the court within seven days after you receive the order of assignment, request for an order of assignment and this notice. If you request a hearing, it will be held no more than ten days after you file your request with the court.

Here are some other important things you should know:

The order of assignment is effective immediately after the date of the order of assignment by you or another payor. The first employer or payor served shall withhold or deduct amounts specified in the order of assignment for fourteen calendar days from the date of service to allow you, the obligor, an opportunity to contest the order of assignment as provided in section Z-504, Arizona Revised Statutes. In the future employer or payor may begin deductions sooner than the fourteen day period after the order of assignment is received.

If you request a hearing, the court, after considering the financial resources of, both parties and the reasonableness of the positions each party has taken, may order a party to pay a reasonable amount to the other for the attorney fees and costs of filing or defending the request.

Under state law (section 33-1131, Arizona Revised Statutes) no more than one-half of your disposable earnings for any pay period may be taken to satisfy an order issued for support or spousal maintenance. The amount of disposable earnings exempt from the order of assignment must be paid to you when due. Disposable income means the remaining portion of your wages, salary or compensation for personal services, including bonuses and commissions, or otherwise, and includes payments pursuant to a pension or retirement program or a deferred compensation plan, after deducting from such earnings the amounts required by law to be withheld.

An employer or other payor who receives the order of assignment may deduct from amounts due to you one dollar for each pay period, but not more than four dollars per month, for child support. The employer or payor also must deduct a monthly amount for the support payment handling fee required by state law (section Z-510, Arizona Revised Statutes).

The employer or other payor on whom the order of assignment is served will continue to withhold the amount set in the order and will forward the payment to the support payment clearinghouse until you file with the clerk one of the following:

1. A verified request to adjust the order of assignment, and the court adjusts the order of assignment because there has been a change of circumstances since the time of the issuance of the order or there is other good cause to do so.
2. A verified request for a hearing to terminate the order of assignment and, after a hearing, the court terminates the order of assignment if all obligations have been satisfied or will be satisfied within ninety days.

3. A notarized stipulation stating that the obligation to pay supports or spouse maintenance has ended and that all arrearages either have been satisfied or have been waived, and the clerk terminates the order of assignment.

The employer may not refuse to hire, may not discharge or may not discipline you as a result of the order of assignment. If you are wrongfully refused employment, discharged or otherwise disciplined you may recover damages suffered, plus interest if appropriate, plus reasonable attorney fees and costs incurred against the employer.

Unless a court has expressly ordered otherwise, you must notify the clerk of the court or the support clearinghouse of the address of your residence and of your employment and, within ten days, of a change in either one. Your failure to do so may subject you to sanctions for contempt of court, including reasonable attorney fees and costs pursuant to state law (section 25-501, subsection R, Arizona Revised Statutes). Official notices will be delivered to you at the most recent addresses you have provided to the clerk or support clearinghouse.

D. The order of assignment shall be issued, only for support, spousal maintenance, spousal maintenance arrearages, interest on spousal maintenance arrearages and handling fees. The order of assignment shall state the total amount that the payor shall withhold. The order of assignment also shall specify the monthly amount of current support and any other payment ordered for support, the monthly amount of any current spousal maintenance, the monthly amount of any spousal maintenance arrearages and any monthly interest payment. If the obligor's disposable earnings from the primary employer or other payor do not meet the support obligation, the court shall issue an order of award to a secondary employer or other payor of the obligor in order to meet the full support obligation.

E. The order of assignment shall be served on any employer and other payor by first class mail, electronic transmission or personal delivery or pursuant to the appropriate rules of civil procedure. The order of assignment is effective immediately on receipt by any employer or other payor and a future employer or future payor. Any employer or other payor of monies shall begin withholding no later than fourteen days after receipt of an order of assignment. The employer or other payor, if feasible, may begin withholding sooner than the fourteen day period if a payment to the obligor is due sooner.

F. Multiple copies of an ex parte order of assignment and of the request for an order of assignment, together with a copy of the notice required by this section, shall be served on any employer or other payor in the same manner as other orders of assignment under this section. Within five days after receipt, the employer or payor shall serve by personal delivery or by registered mail one copy of the ex parte order of assignment and of the request and the notice on the employee or other payee. The ex parte order of assignment is effective on any employer or other payor, and as an assignment by operation of law is effective on any future employers or other future payors, immediately on receipt. The first employer or other payor served shall not withhold or deduct amounts specified in the ex parte order of assignment for fourteen calendar days to allow the obligor an opportunity to contest the order of assignment as provided in this section. By future employers or future payors shall begin withholding not later than fourteen days after receipt of an ex parte order of assignment but, if feasible, may begin withholding sooner than fourteen days after receipt to the obligor is due sooner.

G. After service of an ex parte order of assignment on the employer or payor that initially receives the order of assignment, an obligor may request a hearing to contest the ex parte order of assignment. The request shall be made in writing and the obligor shall state under oath the specific reason for the request. The request shall be filed with the court together with a notice of hearing form. The court shall hold a hearing within ten days after the request and notice of hearing is filed.

Immediately On the scheduling of the hearing, the obligor shall serve a copy of the request for and notice of hearing on the person entitled to receive support, and in a title IS'-D case to the department. If the obligor files a request for hearing within seven days after receipt of the order of assignment, the court may order the support payment clearinghouse not to disburse any monies received pursuant to the order of assignment until further order of the court. The obligor may contest the nithholding for any of the following reasons:

1. There is an e&r in the-identity of the obliger.
2. There is an error in the amount of support or spousal maintenance.
3. Invalidity of the order for support or spousal maintenance.
4. Current support or spousal maintenance is no l&ger owed, if the order of assignment includes a payment for current support or spousal maintenanc&
15. Arreaiages"are not owed if the order of assignment includes a pAJment for' arrearages:

H. Any employer or other payor who has received any order of assignment shall &hhold the amount specified in the order of assignment, togethel; with the handling fee 'as provided in section 25-510, from the income of the person obligated to pay support or spousal maintenance and shall transmit the withheld monies to the support paynient clearinghouse Lvithin two business days after the obligor is paid or after the payment t,o the obligor is due. The handling fee shall be deducted and transmitted monthly. For the cost of compliance the employer or payor may also withhold and retain an additional one dollar per payment but not more than four dollars per movth for each obligor. An employer or payor may combine in a single payment nithheld monies for more than one obligor, shall separately identify the portion of the remittance that is attributable to each, obligor and shall include each obligor's social security number. An employer or payor shall notify the clerk or support payment clearinghouse in n-riting n-hen the obligoris no longer employed or the right to receive income or other monies has been terminated. The employer or paxor shall also, notify the clerk or support payment clearinghouse in lx-ridng of the obligor's social security number and last knonn address and the name and address of the obligor's new employer, if known, within ten days. In a non-title IV-D case, within ten days after receiving this information the support payment clearinghouse shall notify the clerk of the superior court in the county where the support or maintenance order n-as issued. If x-ithin ninety days of the last payment, the &nployer or other payor reemploys the obligor or becomes obligated to pay the obligor, the employer or paxor is again. bound by the order of assignment and is required to perform as required by this section. In a title IV-D case the order of assignment may be reinstated pursuant to section 25-505.01. An employer or payor x-ho fails xl-ithout good cause to comply with the terms of an order of assignment is liable for amounts not paid to the clerk or support payment clearinghouse pursuant to the.. order of assignment and reasonable attorney fees, costs and other espenses incurred in procuring compliance and may be subject to contempt.

I. If a person is obligated to pay child support for more than one family and the amount available for withholding is not sufficient to meet the-total combined current child support obligation, any monies xithheld from the obligor's income shall be allocated to each family by the employer or payor as follows:

1. The amount of current child support ordered in each c&e shall be added together to obtain the total current child support obligation.
2. The amount of current child support ordered in each case shall be divided by the total current child support obligation t.o obtain the percentage of the total current child support obligation to be allocated to each case.
3. The amount nithheld from the obligor shall be multiplied by the percentage for each case to obtain t-he amount to be zlloceted to eac!! case.

J. The person or agency entitled to receive support or spousal maintenance shall notify the clerk of the superior court or support payment clearinghouse in writing of any change of residential address and of any other information required pursuant to section 46-443, within ten days of any change. If after reasonable efforts to locate the obligee the clerk or support payment clearinghouse is unable to deliver payments under an order of assignment for a period prescribed in section 25-503 due to the failure of an obligor to comply with the notice requirement of this subsection, the clerk or support payment clearinghouse shall not make further payment under the order of assignment and shall return payments to the obligor as prescribed in section 25-503. Under these circumstances the court, clerk or department or its agent shall order the release of the employer or payor from the order of assignment on request of the employer, the payor, the department or its agent or on the clerk's own initiative. Any order of assignment from which an employer or payor has been released may be reinstated by following the procedures for obtaining an ex parte order of assignment pursuant to this section or, in a title IV-D case, an administrative income withholding order pursuant to section 25-505.01.

ii. Unless a COLA has ordered otherwise, the person ordered to pay support or spousal maintenance shall notify the clerk of the superior court or the support payment clearinghouse in writing of the obligor's residential address and the name and address of any employer, and within ten days of any change. Failure to do so may subject the person to sanctions for contempt of court, including reasonable attorney fees and costs.

L. Any order of assignment may be adjusted if there has been a change of circumstances since the date the order of assignment was issued or for good cause: The department or its agent or a person obligated to pay or entitled to receive support or spousal maintenance shall file with the clerk of the superior court a request to adjust the order of assignment and a proposed order of assignment. The request shall specify the adjustment sought and the reason for the request. A copy of the request shall be served pursuant to the Arizona rules of civil procedure, or by the department or its agent in a title IV-D case- by first class mail, on all other parties and on the state if the department is providing title IV-D support services or has a claim for arrearages. The party receiving the request and proposed order may request a hearing within twenty days or within thirty days if service is made outside this state. On proof of service and if a hearing has not been requested within the time allowed, the clerk shall issue the order of assignment as appropriate. Within ten business days after the date the order of assignment is issued, the clerk shall transmit a copy of the order of assignment to the employer or payor, the department or its agent and all parties. Unless ordered otherwise by the court, in a title IV-D case any order of assignment may be adjusted pursuant to section 23-505.01.

&I. The department or its agent or a person obligated to pay or entitled to receive support or spousal maintenance may file a request to terminate any order of assignment if the obligation to pay support or spousal maintenance has ended or will end within ninety days after the filing of the request and if all arrearages either have been paid or will be paid within the period or have been waived. The request shall state the reason why termination is requested and shall contain the name and address of the employer or payor of the person obligated to pay support. A copy of the request shall be served pursuant to the Arizona rules of civil procedure, or by the department or its agent in a title IV-D case by first class mail, on all other parties and on the state if the department is providing title IV-D support services or has a claim for arrearages. A party receiving this notice may request a hearing within twenty days or within thirty days if service is made outside this state. On proof of service and if a hearing has not been requested within the time allowed, the clerk shall issue an order terminating the order of assignment as appropriate. Within ten business days after the date the order is issued, the clerk shall transmit

a copy of the order terminating the order of assignment to the employer or payor and to the department or its agent. If a hearing is requested, the court shall set the hearing within twenty days after receiving the request and shall issue an appropriate order; A person u-ho is ordered to pay support may request the court to terminate an order of assignment at any time if an employer is making deductions on multiple assignments for an obligation for the same minor children. Notvrithstanding any law to the contrary, the clerk shall not charge a fee to a person who files a request to terminate an order of assignment if an employer is making deductions on multiple assignmentti for an obligation for the same minor children.

N . If a' request to adjust or terminate an order of assignment is filed, the court in. its discretion may order that the clerk of the superior. court or support payment clearinghouse not disburse any monies in dispute until further order of the court.

O. The clerk of the superior court shall issue an order terminating the-order of assignment if the parties, including the department or its agent in a title IV-D case, file a notarized stipulation with the clerk that all obligations of support or spousal maintenance hawbeen satisfied and that the obligor is no longer obligated to pay support or spousal maintenance. The stipulation shall state that the current obligation of support or, spougal maintenance no. longer exists and that all arrearages either have been satisfied or. n-aived. The stipulation shall also contain the name and address of the employer or payor of the person obligated to 'pay support or. spousal maintenance. Within five business days after the date the stipulation is filed, the clerk shall transmit a copy of. the order terminating the order of assignment to the employer or payor and to the department orits agent. tiotxith- standing any law to the contrary, the clerk shall not charge a fee to a party who files a stipulation pursuant to this subsection.

I'. An assignment ordered pursuant to this section has priority over all other executions, attachments or garnishments. Ai-- obligation for current child support shall be fully met before any payments pursuant to an order of assignment may be applied t.o any other support obligation. An assignment ordered under this section does not apply to amounts made exempt under section 33-1131 or any other applicable exemption lax.

Q. Any employer or other payor shall not refuse to hire a person and shall not discharge or otherwise discipline an obligor because of service of an order of assignment authorized by this section. .&I employer or pay-or IT-ho refuses to hire a prjson or n-ho discharges or otherwise disciplines an emplo!-ee or obligor because of sell-ice of an 'order of assignment is subject to contempt and sanctions as may be ordered by the court. A person n-ho is wrongfully refused employment, wrongfully discharged or otherxiee disciplined is entitled to recover damages sustained by the prohibited conduct, reinstatement, if appropriate, and attorney fees and costs incurred.

R. In any proceeding under this section the court, after considering the financial resources of the parties and the reasonableness of the positions each party has taken, may order a party to pay a reasonable amount. to another party for the costs and expenses, including attorney fees, of maintaining or defending the proceeding.

Sec. 4. Section 25-522, Arizona Revised Statutes, is amended to read:

8 25-522. -4ministrative review; notice; determination; judicial review; defi- nitions

A. An obligor may contest an enforcement action by the department or its agent by filing a request for administrative reliew. An obligee may contest the distribu- tion or disbursement of support payments by the department or its agent by liling a request for administrative review. The obligor, the obligee or the caretaker may contest the disbursement of support p~ent tz :a&i-on li: 124 to a noncustodial person other than the state by filing a request for administrative rev&pursuant to

section 46444. The request shall be in writing, shall be signed by the requesting party, shall include a residential and mailing address and may be transmitted electronically. The request shall state the basis for the dispute and shall include any relevant information to assist the department or its agent, including a copy of any order issued, documentation of support payments made and any notice sent by the department or its agent.

B. Within ten business days after receipt of the request for review, the department or its agent shall send a notice of acknowledgment of receipt of request for administrative review to the person filing the request and shall specify any additional information the department or its agent requires to complete the review. The department or its agent on its own initiative may also request any other additional information it deems necessary to make its determination. The department or its agent shall also notify the obligee of the obligor's request for review of enforcement

C. Except for obligee complaints made under section 46408 as to distribution of support, the department or its agent shall issue a written determination within forty-five business days after sending the notice of acknowledgment of receipt of request for administrative review, or if additional information is required, forty-five business days after receipt of this information. If additional information is not received from the requesting party or another person within ten business days after the date of the department's or the agent's request for additional information, the department shall issue a final written determination within ten business days after the due date for receipt of the additional information based on the available information provided. The final determination shall be in writing, and a copy shall be served on all parties by first class mail.

D. Notwithstanding subsections B and C of this section, if the basis for the request for review is issuance of an income withholding order by the department pursuant to section 25505.01 or a levy made pursuant to section 25-521, the department shall review the request and issue a final determination within ten business days after it receives the request for review. The department shall send a copy of the final determination by first class mail to all parties.

E. Notwithstanding subsections B, C and D of this section, if the basis for the request for review is a mistake in identity pursuant to section 25-531, the department shall issue a final determination by first class mail to all parties within two business days after the receipt of the request. The request shall include adequate documentation to affirm the mistake in identity.

F. A department determination made pursuant to this section is subject to judicial review under title 12, chapter 7, article 6 except that an appeal by an obligee of a department determination made pursuant to this section regarding the distribution of support payments shall be made pursuant to title 41, chapter 14, article, 3.

G. For purposes of this section: _____

1. "Business day" means a day on which state offices are open for regular business.

2. "Department" includes the department's agent.

3. "Enforcement action" means an action taken by the department to:

(a) Suspend or deny a license.

(b) Issue a notice of lien against real or personal property.

(c) Issue a notice of levy against assets held by or on behalf of an obligor.

(d) Issue an income withholding order or order to modify or terminate an income withholding order.

(e) Report an obligor to a consumer reporting agency.

(f) Issue a medical support notice of enrollment prescribed by the United States secretary of health and human services.

(g) Offset federal payments.

(h) Disburse support to a caretaker.

Sec. 5. Section 46-102, Arizona Revised Statutes, is amended to read:

D 46402. Definitions

In this chapter, unless the context otherwise requires:

1. "Absent parent" means the non-custodial natural or adoptive father or mother of a dependent child.

2. "Business day" has the same meaning prescribed in section 25-500.

3. "Court" means any court in this or any other state having jurisdiction to determine the liability of persons for the support of another person.

4. "Court order" means any judgment or order of any court which that orders payment of a set or determinable amount of support money.

5. "Department" means the Arizona department of economic security.

6. "Dependent child" means a person under the age of eighteen who is eligible for temporary assistance for needy families as provided in chapter 2, article 5 of this title.

7. "Director" means the director of the department of economic security or the director's designee or authorized representative.

8. "Obligatee" has the same meaning prescribed in section 25-500.

9. "Public assistance" or "assistance" means any money payments made by the department which that are paid to or for the benefit of any dependent child as provided in chapter 2, article 5 of this title.

10. "State" includes a state, territory or possession of the United States, the District of Columbia and the commonwealth of Puerto Rico.

11. "Title IV-D" has the same meaning prescribed in section 2-500.

Sec. 6. Section 16-407, Arizona Revised Statutes, is amended to read:

§ 46407. Assignment of rights to support; definition

A. The right to support of a child and spouse who receive temporary assistance for needy families pursuant to Public Law 104-193 and chapter 2, article 5 of this title and the right to medical support of a child who receives medical assistance under title XIX of the social security act is assigned to this state by operation of law. The support rights are assigned to the state regardless of whether the applicant for assistance has any right to receive the support. The department shall take all steps necessary to enforce the assigned rights to support.

B. The support rights assigned to the state apply to all children of the household for whom temporary assistance for needy families is granted. If a child is denied temporary assistance for needy families due to the receipt of social security income for the child, the department shall divide the court ordered child support amount by the number of children in the court order. The prorated amount for the child receiving social security income is exempt from assignment.

C. The right to support of a child on whose behalf foster care maintenance payments are made is assigned pursuant to section 8-243.02. If the child support order covers more than one child, the department shall determine the amount to be distributed to the state by dividing the court ordered support amount by the number of the children in the court order.

C.-D. For purposes of this section, "support" has the same meaning prescribed in section 25-500.

Sec. 7. Section 46-408, Arizona Revised Statutes, is amended to read:

§ 46308. Assignment of support rights; priority; definitions

A. The assignment under section 46-407 is subject to all of the following:

1. Terminates with respect to current support when the person entitled to receive support is no longer receiving temporary assistance for needy families.

2. While receiving temporary assistance for needy families, the assignment applies to any rights to support from any other person including any support that accrued before receiving temporary assistance for needy families.

3. Does not preclude enforcement of support in the name of the person entitled to receive support.

4. Does not bind any person who lawfully pays support to the person entitled to receive support.

5. Does not assign amounts that exceed the amount of temporary assistance for needy families paid to the person entitled to receive support to which the state is entitled to be reimbursed.

6. When the person entitled to receive support is not receiving temporary assistance for needy families, amounts paid for support shall be credited to that month's current court ordered support up to an amount equal to the amount of the court order in effect at the time of payment and the excess, if any, shall be subject to the assignment.

7. The assignment applies to arrearages provided in the court order subject to the following priorities:

(a) If the person entitled to receive support is currently receiving temporary assistance for needy families, the state's claim for arrearages shall have priority over all other support claims except for current support.

(b) If the person entitled to receive support is not currently receiving temporary assistance for needy families, the state and the person entitled to receive support shall have a proportionate claim for any arrearages owed to the state and the custodial parent under a child support order. The arrearage payment shall be distributed on the total outstanding arrearage amount and the percentage of the total outstanding arrearage owed to the state and the person entitled to receive support.

B. Notwithstanding subsection A; paragraph 7 of this section, for distributions that occur or should have occurred beginning October 1, 1997, the department shall distribute support payments as prescribed in title IV-D of the social security act and its implementing regulations as follows:

1. Distribute to the family amounts not subject to the assignment,

2. Pay the federal government the federal share of the amount collected. "

3. Retain the state share of the amount collected.

4. Retain payments collected through the federal income tax refund intercept program to the extent past due support has been assigned to the state. Any amount collected in excess of the past due support assigned to the state shall be distributed to the past due support owed to the family.

C. Beginning on July 1, 2003, for child support due and any child support arrearages that accrue after that date, the department shall distribute to the obligee the equivalent of this state's share of any support payments received for the benefit of a child who is subject to section 46-292, subsection G. If the child support order covers additional children, the department shall divide the support order by the

number of children in the court order. The department shall distribute to the obligee The amount equivalent to this state's share of the prorated amount attributable to any child who is subject to section 46-292, subsection G.

C D v An obligee who disagrees with the distribution or disbursement of support payments pursuant to subsection B or C of this section may request an administrative review pursuant to section 25-522 within thirty business days after the receipt of the department's notice to the obligee of the distribution and disbursement of support received for the prior period. In title IV-D cases with a receipt of support, the department shall send notice to the obligee each month.

E. In title IV-D cases that have never invoked public assistance and in public assistance cases that do not have any receipts of support for the last quarter, the department shall send written notice to the obligee regarding distribution and disbursement of support only for the most recent quarter of the year. The obligee has thirty business days after the date of that notice to submit a written request for an administrative review. The department or its agent shall send a written notice of acknowledgment of receipt of request for administrative review to the obligee within ten business days after the date of that notice. If the department or its agent needs additional information from the obligee to respond to the request for review, the department shall indicate this fact in writing. The department or its agent may also request information from other sources. The department or its agent shall issue a written determination not later than thirty business days after the date of the notice of acknowledgment of receipt of request for administrative review or, if additional information is required, not later than thirty business days after it receives this information. If additional information requested by the department or its agent is not received within thirty business days after the request for more information, the department or its agent shall issue a written determination within ten business days after the due date based on the information available. The department or its agent shall send a copy of the written determination to the obligee by first class mail;

F. The obligee shall make any appeal of the department's or its agent's determination in writing pursuant to title 14, chapter 14, article 3 and shall file it in the department's office of appeals within thirty business days after the date of the written determination. An obligee may appeal the department's final determination pursuant to section 41-1993.

D-G. X payment that is credited against past due support shall be applied first to principal and then to interest.

E-H. The department may adopt rules addressing interest and distribution of all monies requested by the department in child support cases.

E-L For purposes of this section:

1. "Arrearage" has the same meaning prescribed in section Z-500.
3. "Business day" means a day on which state offices are open for regular business.
3. "Support" has the same meaning prescribed in section 35-500.

Sec. 3. Title 46, chapter 3, article 1, Arizona Revised Statutes, is amended by adding section 46-409, to read:

D 16409. Distribution of child support, federal share

-4. Beginning on July 1, 2003, for child support due and any child support arrearages that accrue after that date, the department shall distribute to the obligee the equivalent of the federal share of any support payments received for the benefit of a child who is subject to section 46-292, subsection G.

B. If the child support order covers additional children, the department shall divide the support order by the number of children in the court order. The department shall distribute to the oblipee the amount equivalent to the federal share of the prorated amount attributable to any child who is subject to section 46-292, subsection G.

Sec. 9. 'Section 46A41, Arizona Revised Statutes;is amended to read;.

0 k3-141. Support pajment clezkinghouke; records trk'sfer;. pajment; defik t i o n

A. The department shall establish 'a central support payment clearinghouse.'to receir-e, disburse and monitor support payments pursuant to title W-D of the social security act.

B. Unless the court orders that support or maintenance be paid directly to the party entitled to' receive it, all orders for support shall direct payment of support or maintenance through the support payment clearinghouse. All orders that specify payments through the clerk of the superior court shall be deemed to require payment to the support payment clearinghouse after a notice to the obligor is issued.

C. The clerk of the superior court shall proTide copies of all payment histories and relevant legal documents pertaining to the issue of support.

D. On request the support payment clearinghouse shall promptly furnish to. the person entitled to receive support or maintenance information on the. current status of payments received and processed through the support payment. clearinghouse,

E. Support payments and handling fees in an. amount prescribed in 'section 2%5tO for. the monthly support handling fee shall b,e paid to the support'payment cleaimghouse. The director shall deposit, pursuant to sections .5\$-146 'and 35i4i, the handling fees. received by the department in the' _a child. support enforcement administration fund.

F. If after reasonable efforts to locate the obligee the support payment clearinghouse is unable to deliver payments for a- the period m prescribed'in section 25-503 due to -the 'failure of the?son to n-horn, the support has been ordered to be paid to notify the clerk or support payment clearinghouse of a change in address, the clerk or support payment clearinghouse shall not make further payment and shall return the payments to the obligor as prescribed- in section 25-503.

(\$: y T h i 'L. . . . i. . . .)
s pport payment. clearinghouse shall hare an accounting system .for monitoring child support payments. .The records of the support, payment clea+ng-house. are prima facie evidence of payment or nonpajment of support. I :: - . . .

H. Payment of any money directly to an obligee or to: a personother. than the support payment clearinghouse shall not be credited against the support obligation unless the direct payments were ordered by the court, or made pursuant to a written support agreement by the parties.

I. The support payment clearinghouse shall issue copies of payment histories for payments received and processed through the support payment 'clearinghouse 'on request and may charge a fee for these sell-ices.

J. For the purposes of this section "support" has the same mean&prescribed in section 25-500. .)

Sec. 10. Conditional enact&nt;. notification .'

A. Section 46-409, kci~ona Revised Statutes, as added by this' act does not become effectke unless the United States department of health and human ser&s~ grants the appropriate xaivernecessaryto implement that section.

B. The director of the department of economic security shall notify the director of the Arizona legislative council in writing of the date on which this condition is met.

Approved by the Governor, May 17, 2002.

Filed in the Office of the Secretary of State, May 17, 2002.

VEHICLE ACCIDENTS

CHAPTER 22S.

H.B. 2591

AN ACT AMENDING SECTIONS 28-661, 28-662 AND 28-3315, ARIZONA REVISED STATUTES; RELATING TO VEHICLE ACCIDENTS.

Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 28-661, Arizona Revised Statutes, is amended to read:

28-661. Accidents invoking death or personal injuries; failure to stop; classification; driver license revocation

A. The driver of a vehicle involved in an accident resulting in injury to or death of a person shall:

1. Immediately stop the vehicle at the scene of the accident or as close to the accident scene as possible but shall immediately return to the accident scene.

2. Remain at the scene of the accident until the driver has fulfilled the requirements of section 28-663.

B. A driver who is involved in an accident resulting in death or serious physical injury as defined in section 13-105 and who fails to stop or to comply with the requirements of section 28-663 is guilty of a class 4 felony, except that if a driver caused the accident the driver is guilty of a class 3 felony.

C. A driver who is involved in an accident resulting in an injury other than death or serious physical injury as defined in section 13-105 and who fails to stop or to comply with the requirements of section 28-663 is guilty of a class 3 felony.

D. The sentence imposed on a person for a conviction under this section shall run consecutively to any sentence imposed on the person for other convictions on any other charge related to the accident.

E. The department shall revoke the license or permit to drive and any nonresident operating privilege of a person convicted pursuant to subsection 5 of this section for five years.

F. The department shall revoke the license or permit to drive and any nonresident operating privilege of a person convicted pursuant to subsection C of this section for three years.

Section 2. Section 28-662, Arizona Revised Statutes, is amended to read:

28-662. Accidents involving damage to vehicle; failure to stop; classification; driver license suspension

A. The driver of a vehicle involved in an accident resulting only in damage to a vehicle that is driven or attended by a person shall:

1. Immediately stop the vehicle at the scene of the accident or as close to the accident scene as possible but shall immediately return to the accident scene.

TITLE 6. ECONOMIC SECURITY

CHAPTER 7. DEPARTMENT OF ECONOMIC SECURITY

CHILD SUPPORT ENFORCEMENT

ARTICLE 8. OBLIGEE REQUEST FOR ADMINISTRATIVE REVIEW OF
DISTRIBUTION OR DISBURSEMENT

Section

R6-7-801. Obligor Request for Administrative Review of Distribution or Disbursement

ARTICLE 8. OBLIGEE REQUEST FOR ADMINISTRATIVE REVIEW OF
DISTRIBUTION OR DISBURSEMENT

R6-7-801. Obligor Request for Administrative Review of Distribution or
Disbursement

A. An obligor's request for an administrative review need not be on a Department form,
but shall:

1. Be in writing;
2. Include the residential and mailing address of the obligor; and
3. State the reasons why the obligor disputes the distribution or disbursement.

B. With the request for administrative review, an obligor shall include any relevant
information to assist in the review of the questioned distribution or disbursement.

This may include such documents as:

1. Any support orders issued;
2. Any notices sent by the Department;
3. Any proof of payments made;
3. A copy of an obligor's notice of collections sent by the Department; and

EXHIBIT 2

5. Any other information an obligee believes to be relevant.
- C. An obligee's request for administrative review may be sent by an obligee by first class mail or facsimile, or may be delivered in person.
- D. If the Department needs additional information from an obligee, it shall make a written request for the additional information.
- E. An obligee may appeal a decision of the Department regarding the distribution or disbursement of support pursuant to A.R.S. § 25-522. An obligee shall have 30 business days from the date of the written decision to file a written request for an appeal with the Department's Office of Appeals pursuant to Title 41, Chapter 14, Article 3, of the Arizona Revised Statutes. An appeal from that written decision is to the Appeals Board pursuant to A.R.S. § 41-1992. An appeal from the Appeals Board is to the Court of Appeals pursuant to A.R.S. § 41-1993.

Monthly Notice of Collections for Current and Former Assistance
Cases

MOCLCNT 0000123456700 13-01
Division of Child Support Enforcement
P. O. Box 4045s
Phoenix, Arizona 8 5 067

Date: 06/26/02
602-252-4045



Ms h4ary Smith
123 E Main Street
P O Box 4567
Anytown AZ 12345

Re: 0000123456700 Hemandez Jarmillo
0000123456701 Browning James
0000123456702 Robbinson Horatio
0000123456703 Brolvn Richard
0000123456704 Smith Joe
0000123456705 Santiago Sancho
0000123456706 Jones Harold
0000123456707 Yello\vhair Yaquie

En Espanol al lado reverso
El tiempo de esta information es delicado

NOTICE OF COLLECTIOXS

This notice tells you ho\v the Division of Child Support Enforcement (DCSE) distributed and disbursed support payments for your case(s) in the month listed. DCSE must follon state and federal la\vs and court orders to disburse support payments. The *amount* shoi.l.n in current support may include spousal maintenance if it n'as ordered in the same order xvith child support and \vas collected by DCSE. The amount shoxxn in arrears may include payments made on interest and/or spousal maintenance arrears. \\\:e jvill send you a monthly notice for each month that n.e receive a payment. \r-hen no payment is processed, \ve will send you a notice for the calendar quarter. If you have any questions about your case, or about this notice, you ma contact your local child support office at the address or telephone number listed above. If you disagree \vith the amounts listed in this notice, you may request an administrative revien. See the information page about requesting an administrative re?ew. This notice only includes payments made to the Arizona DES Division of Child Support Enforcement and processed as of the date of this notice.

If your address or telephone number changes, you must notify us immediately.

Payments recei\ed and distributed/disbursed in February, as Lye11 as payments previously received and identified for release to your case(s) in February.

Non Custodial Parent Name	Case Sumber
Hernandez	OCC123i56700

Date Rec'd.	Amt. Rec'd.	Current Support	Arrears	Paid To:
02/20/02	582.35	522.35		CP

Kon Custodial Parent Name Case Number
 Hemandez 000123456700

Date Rec'd.	Amt. Rec'd.	Current Support	Arrears	Paid To:
02/13/02	582.35	582.35		CP
02/06/02	582.35	54.55		CP
		215.45		C?
			300.00	CP
		2.25		PF

Non Custodial Parent Name Case Xumber
 Brownings 000123456701

Date Rec'd.	Amt. Rec'd.	Current Support	Arrears	Paid To:
02/20/02	182.35	182.35		AZ
02/13/02	182.35	182.35		AZ
02/06/02	182.35	182.35		AZ

Non Custodial Parent Name Case n'umber
 Robinson 000123455702

Date Rec'd.	Amt. Rec'd.	Current Support	Arrears	Paid To:
02/06/02	100.00		100.00	CT
02/20/02				

Adjustment of Current Support Amount(s) per Court Order:

Case Number	Non Custodial Parent Name	Order Xumber	Adjusted TO	Pay Begin Date
000123456000	~ETX?a~d~Z	C"2002-012584	582.35	06/01/2002
00012345;001	Srownxgs	CR1999-025852	182.35	04/03/1999
000123456002	Robbinson	CRi391-045578	000.00	01/01/:991

* "A" - An "A" means that an adjustment was made to the payment it is printed by. This payment was received in a prior month. The date listed is the original date the payment was received.

Information About Assigned Arrears

The support assigned to the state is limited to the amount of public assistance paid to benefit your family. It is in the nature of a loan from the state and federal governments to help you and your family in times of financial difficulty. The state may not keep more support money than the total amount it gave you in public assistance. While you are receiving public assistance any current support that is received will be kept in accordance with federal law.

Unpaid support for the months that you received public assistance are Permanently Assigned to the state. If you received public assistance before October 1, 1997, unpaid support for the months that you received public assistance and for the months before you received public assistance are Permanently Assigned to the state.

DCSE will keep all payments applied against Permanently Assigned Arrears. This is authorized by federal law.

Unpaid support for months before you received public assistance, after October 1, 1997, are Temporarily Assigned Arrears, and will be kept by DCSE to repay public assistance when:

1. You receive public assistance for the month in which DCSE receives the payment.
2. DCSE receives the payment from the Internal Revenue Service income tax refund offset program, whether you are currently receiving assistance or not.


This is also authorized by federal law.

If you disagree with the distribution or disbursement of support payments as listed in this notice, you may file a written request of an administrative review pursuant to A.R.S. 46-408, within 30 business days after the date of this notice. Your written request for the administrative review should be sent to the Division of Child Support Enforcement, P.O. Box 40108, Phoenix, Arizona 85067.

We received a total \$2394.10 in support for your case(s). We distributed the money as follows:

1. \$1444.50 paid to you for current support for the month(s) of February.
2. \$400.00 paid to you for arrears owed to you. These arrears may have accrued after you stopped receiving public assistance.
3. \$547.95 to DCSE to repay assigned arrears based on past public assistance you received. As of the date of this notice, DCSE claims an additional \$2332.00 for assigned arrears based on public assistance paid to you. These amounts are combined totals for all of your child support cases and may not show all the public assistance paid to you.
- 3a. \$0.00 paid to the Office of the State Auditor for assigned arrears based on past public assistance you received.
4. \$0.00 paid to DCSE for genetic testing fees.
5. \$2.25 paid to DCSE for the monthly handling fee required by A.R.S. Q 25510.

How To Read the Notice of Collections

	
Your Name Your Sireei Address Your City, State Zipcode	
1 Re .+GOOO 123456700 Job B:OL~X 30000123436701 Bill Green	

1. The list of case numbers with names shows your ATLAS case numbers and the name of the non-custodial parent for that case.

Payments received and distributed/disbursed in (month or quarter). as well as payments previously received and identified for release to you: case(s) in (north or quarter).						
2	3	4	5	6	7	8
Date	Amt.	Son Custodial	Gas:	CUITe~t	Arrears	Paid
Rec'd.	Rec'd.	Parent Szme	SUf2bci	SL!pZVrt	Paid	To:

2. Date Rec'd. This is the date for which the collection was received. In the case of a collection made by a wage assignment, this will be the date that the collection was deducted from the paycheck. If a wage withholding did not make the collection, then this will be the date that the collection was received by DCSE.

When a collection is received that is more than the total amount due for the case, the excess may be held for release in the next month. When a non-custodial parent prepays support for future months, the Date Recd. will remain the original month in which the collection was received even though it is scheduled to be disbursed in a later month/months.

3. Amt. Rec'd. The amount received is the amount of the collection that DCSE received.

4. Non-Custodial Parent Name This is the name of the Non-Custodial Parent whose case was given credit for the collection. All collections received during the Notice's time period from this non-custodial parent will be listed under this name.

5. Case Number This is the ATLAS case number for the case for which the collection was received.

6. Current Support This is the amount that was collected for current support.

7. Arrears Paid This is the amount that has been collected for unpaid support from previous months (arrears).

8. Paid To: This is to whom the payment was disbursed.

CP - the person who has custody of the child(ren).

AZ - Arizona kept this amount to pay back an amount you owe to the State.

If another state's abbreviation appears in this column, that means the collection was disbursed to that state for an amount you owe to them.

PF - the monthly processing fee charged to the Non-Custodial parent.

GT - genetic testing fee amount owed by the Non-Custodial parent.

Amt.	
Rec'd.	
	9
1.233.56 A	

9. An A next to an amount indicates that an adjustment was made to this collection. The date received (Date Rec'd.) will show the original date of receipt for this collection. To see how the collection was originally disbursed you will need to look at the Notice of Collection that originally showed the collection and compare it to the Notice that shows the adjustment. If you have questions about the adjustment you should call your local child support enforcement office for additional information.

Adjustment of Current Support Amount(s) per			Court Order:	10
case Number	Non Custodial Parent Name	Order Number	Adjusted To	Pay Begin Date
000123456000	XXXXXXXX XXXXX	DR29@2-0 12345	1111.11	MMIDD / W

10. When your monthly court ordered support has been modified by the court this message will appear at the end of the details of your notice. It will let you know that DOSE has received a copy of the court order, changed the support amount, and the date the new amount begins. If you went to court to have your support order changed and do not see this message, please contact your local child support enforcement office to ask if they have received a copy of the new court order.

If you currently receive public assistance from the State of Arizona, or did receive public assistance from the State of Arizona in the past, you will receive additional information with your Notice of Collections. This additional information will explain the amounts owed to you and the amounts assigned and owed to the State of Arizona.

For an explanation of how arrears are assigned to the State, please request a copy of the pamphlet Understanding the Assignment of Rights and Understanding Disbursement from your local child support enforcement office.

If you disagree with the amounts listed in the notice, you may request an administrative review. Your written request for an administrative review should be sent to DCSE, P-0, Box 40408, Phoenix, Az. 85067 within 30 business days after the date of the Notice.

Quarterly Notice of Collections for Current and Former Assistance
Cases

EXHIBIT 4

QTCLCNT 0000123456700
Division of Child Support Enforcement
P. O. Box 40458
Phoenix, Arizona 85067

13-01

Date: 06/26/02
602-252-3045



Ms Mary Smith
123 E Main Street
P O Box 4567
Anyto\vn AZ 12345

Re: 0000123456700 Hernandez Jarmillo
0000123456701 Browning James
0000123456702 Robinson Horatio
0000123456703 Brown Richard
0000123456704 Smith Joe
0000123456705 Santiago Sancho
0000123456706 Jones Harold
0000123456707 Yellowhair Yaquie

En Espanol al lado reverse
El tiempo de esta information es delicado

NOTICE OF COLLECTIONS

This notice tells you how the Division of Child Support Enforcement (DCSE) distributed and disbursed support payments for your case(s) in the quarter listed. DCSE must follow state and federal laws and court orders to disburse support payments. The amount shown in current support may include spousal maintenance if it was ordered in the same order with child support and was collected by DCSE. The amount shown in arrears may include payments made on interest and/or spousal maintenance arrears. We will send you a monthly notice for each month that we receive a payment. When no payment is processed, we will send you a notice for the calendar quarter. If you have any questions about your case, or about this notice you may contact your local child support office at the address or telephone number listed above. If you disagree with the amounts listed in this notice, you may request an administrative review. See the information page about requesting an administrative review. This notice only includes payments made to the Arizona DES Division of Child Support Enforcement and processed as of the date of this notice.

If your address or telephone number changes, you must notify us immediately.

Payments received and distributed/dispursed in January 2002 - March 2002, as well as payments previously received and identified for release to your case(s) in January 2002 - March 2002.

Non Custodial Parent Name	Case Number
Hernandez	000123456700

Date Rec'd.	Amt. Rec'd.	Current Support	-k-rears	Paid To:
03/20/02	582.35	582.35		C?

i- Non Custodial Parent Same Case Number
Hernandez 000123456700

> Date Rec'd. Amt. Rec'd. Current Support Arrears Paid To:
03/13/02 582.35 582.35 CP
03/06/02 582.35 64.65 CP
215.45 CP
300.00 CP
2.25 PF

Non Custodial Parent Name Case Number
Browning5 000123456701

Date Rec'd. Amt. Rec'd. Current Support Arrears Paid To:
03/20/02 182.35 182.35 AZ
03/13/02 152.35 182.35 AZ
03/06/02 182.35 182.35 AZ

Non Custodial Parent Name Case Number
Robbinson 000123456702

Date Rec'd. Amt. Rec'd. Current Support h-rears Paid To:
03/20/02 100.00 103.00 CP
03/13/02
03/06/02

Summary of Account
Statement Period - January 01,2002 - March 3 1,2002

Januar)

No payment(s) received for:

000123456700
000123456701
000123456702

Februar!

Statement sent for:

000123456700
000123456701
000123456702

March

See "Detail" beginning on page one.

Adjustment of Current Support -Amount(s) per Court Order:

Case NumMr	Non Custodial Parent Kame	Order Xumber	Adjusted To	Pay Begin Date
C#3123456CC0	:ilrnanziez	T?2C22-C12534	582.35	06/01/2CG2
000123155001	Browr.ln~s	C?L1CQ9-225652	152.35	04/03/1?93
COO123~55002	R o b b i 1 3 3 3	227_d31-, '<5573	000.00	01/01/i991

* C C A T . - An "-A*" means that an adjustment x\as made to the payment it is printed by. This payment n-as received in a prior month. The date listed is the original date the payment xvas receix-ed.

Information About Assigned Arrears

The support you assign to the state is limited to the amount of public assistance paid to benefit your family. It is in the nature of a loan from the state and federal governments to help you and your family in times of financial difficulty. The state may not keep more support money than the total amount it gave you in public assistance. While you are receiving public assistance any current support that is received will be kept in accordance with federal law.

Unpaid support for the months that you received public assistance are Permanently Assigned to the state. If you received public assistance before October 1, 1997, unpaid support for the months that you received public assistance and for the months before you received public assistance are Permanently Assigned to the state.

DCSE will keep all payments applied against Permanently Assigned Arrears. This is authorized by federal law.

Unpaid support for months before you received public assistance, after October 1, 1997, are Temporarily Assigned Arrears, and will be kept by DCSE to repay public assistance when:

1. You receive public assistance for the month in which DCSE receives the payment.
7. DCSE receives the payment from the Internal Revenue Service income tax refund offset program, whether you are currently receiving assistance or not.

This is also authorized by federal law.

If you disagree with the distribution or disbursement of support payments as listed in this notice, you may file a written request of an administrative review pursuant to A.R.S. 16408, within 30 business days after the date of this notice. Your written request for the administrative review should be sent to the Division of Child Support Enforcement, P.O. Box 10108, Phoenix, Arizona 85067.

We received a total \$2391.10 in support for your case(s). We distributed the money as follows:

1. \$1331.50 paid to you for current support for the month(s) of February.
2. \$100.00 paid to you for arrears owed to you. These arrears may have accrued after you stopped receiving public assistance.
3. \$547.05 to DCSE to repay assigned arrears based on past public assistance you received. As of the date of this notice, DCSE claims an additional \$2532.00 for assigned arrears based on public assistance paid to you. These amounts are combined totals for all of your child support cases and may not show all the public assistance paid to you.
- 3a. \$0.00 paid to *State of Other State* for assigned arrears based on past public assistance you received.
4. \$0.00 paid to DCSE for genetic testing fees.
5. \$2.35 paid to DCSE for the monthly handling fee required by A.R.S. Q 25-5 10.

How To Read the Notice of Collections



Your Name
 Your Street Address
 Your City, State Zipcode

1
 Rs +X001 3456700 John Bro\n
 ~0000123Jj6701 Bill Green

1. The list of case numbers with names shows your ATLAS case numbers and the name of the non-custodial parent for that case.-

Payments received and distributed/disbursed in (month or quarter), as well as payments previously received and identified for use to your casa(s) in (month or quarter).

2	3	4	5	6	7	8
Date Rec'd.	Amt. Rec'd.	Non Custodial Parent Name	C&e Sum'm	CLX:child support	=L?extr Paid	Paid To:

2. Date Rec'd. This is the date for which the collection was received. In the case of a collection made by a wage assignment, this will be the date that the collection was deducted from the paycheck. If a wage withholding did not make the collection, then this will be the date that the collection was received by DCSE.

When a collection is received that is more than the total amount due for the case, the excess may be held for release in the next month. When a non-custodial parent prepays support for future months, the Date Recd. will remain the original month in which the collection was received even though it is scheduled to be disbursed in a later month/months.

3. Amt. Rec'd. The amount received is the amount of the collection that DCSE received.

4. Non-Custodial Parent Name This is the name of the Non-Custodial Parent whose case was given credit for the collection. All collections received during the Notice's time period from this non-custodial parent will be listed under this name.

5. Case Number This is the ATLAS case number for the case for which the collection was received.

6. Current Support This is the amount that was collected for current support.

7. Arrears Paid This is the amount that ~/as collected for unpaid SUppOrt from previous months (arrears).

8. Paid To: This is to whom the payment was disbursed.

CP - the person who has custody of the child(ren).

AZ - Arizona kept this amount to pay back an amount you owe to the State.

If another state's abbreviation appears in this column, that means the collection j,vas disbursed to that state for an amount you owe to them.

PF - the monthly processing fee charged to the Non-Custodial parent.

GT - genetic testing fee amount owed by the Non-Custodial parent.

Amt. Rec'd.	
	9
1.234.56 A	

9. An A next to an amount indicates that an adjustment was made to this collection. The date received (Date Rec'd.) will show the original date of receipt for this collection. To see how the collection was originally disbursed you will need to look at the Notice of Collection that originally showed the collection and compare it to the Notice that shows the adjustment. If you have questions about the adjustment you should call your local child support enforcement office for additional information.

Adjustment of Current Support Amount(s) per			Court Order:	10
Case Number	hlon Custodial Parent-Name	Order NuTher	Adjusted To	Pzy Begin Date
000123456000	XXXXXX XXXXX	DR2002-0: 2335	slll.ll	ivlllIDDr/YYYY

10. When your monthly court ordered support has been modified by the court this message will appear at the end of the details of your notice. It will let you know that DOSE has received a copy of the court order, changed the support amount, and the date the new amount begins. If you went to court to have your support order changed and do not see this message, please contact your local child support enforcement office to ask if they have received a copy of the new court order.

If you currently receive public assistance from the State of Arizona, or did receive public assistance from the State of Arizona in the past, you will receive additional information with your Notice of Collections. This additional information will explain the amounts owed to you and the amounts assigned and owed to the State of Arizona.

For an explanation of how arrears are assigned to the State, please request a copy of the pamphlet Understanding the Assignment of Rights and Understanding Disbursement from your local child support enforcement office.

If you disagree with the amounts listed in the notice, you may request an administrative review. Your written request for an administrative review should be sent to DCSE, P.O. Box 40408, Phoenix, AZ. 85067 within 30 business days after the date of the Notice.

Quarterly Notice of Collections for NeverAssistance Cases

EXHIBIT 5

NQTCLCXT 0000123456700 13-01
Division of Child Support Enforcement
P. O. Box 40458
Phoenix, Arizona S5067

Date: 06/26/02
602-252-4015



Ms Mary Smith
123 E Main Street
P O Box 4567
Anyton-n AZ 12345

Re: 0000123456700 Hernandez Jarmillo
0000123456701 Browning James
0000123456702 Robbinson Horatio
0000123456703 Broxvn Richard
0000123456704 Smith Joe
0000123456705 Santiago Sancho
0000123456706 Jones Harold
0000123456707 YelloxI.hair Yaquie

En Espanol al lado reverse
El tiempo de esta information es delicado

SOTICE OF COLLECTIONS

This notice tells you how the Division of Child Support Enforcement (DCSE) distributed and disbursed support payments for your case(s) in the quarter listed. DCSE must follow state and federal law and court orders to disburse support payments. The amount shown in current support may include spousal maintenance if it was ordered in the same order with child support and was collected by DCSE. The amount shown in arrears may include payments made on interest and/or spousal maintenance arrears. We will send you a monthly notice for each month that we receive a payment. When no payment is processed, we will send you a notice for the calendar quarter. If you have any questions about your case, or about this notice, you may contact your local child support office at the address or telephone number listed above. If you disagree with the amounts listed in this notice, you may request an administrative review. See the information page about requesting an administrative review. This notice only includes payments made to the Arizona DES Division of Child Support Enforcement and processed as of the date of this notice.

If your address or telephone number changes, you must notify us immediately.

Payments received and distributed/dispursed in January 2002 - March 2002, as well as payments previously received and identified for release to your case(s) in November 2001 - January 2002.

Son Custodial Parent Name	Case Number
Eexaniez	000123455700

Date Rec'd.	amt. Rec'd.	Current Support	Arrears	Paid To:
01/31/02	582.35	582.35		C?

Kon Custodial Parent Name
Xernandez

Case i\umber
000123455700

Date Rec'd.	Amt. Rec'd.	Current Support	Arrears	Paid To:
01/24/02	582.35	592.35		CP
01/1-1/02	582.35	cc. 55		CP
		215.45		CP
			300.00	CP
		2.25		PF
01/10/02	582.35	582.35		CP
01/03/02	582.35	582.35		CP
12/27/01	582.35	64.65		CP
		215.45		C?
			300.03	CP
		2.25		F"
12/20/01	582.35	582.35		CP
12/13/01	582.35	582.35		CP
12/05/01	582.35	552.35		CP
11/29/01	2, -05'6.35 A		2,956.35	CP
	582.35	562.35		C3
11/22/01	582.35	582.35		CP
11/15/01	582.35	532.35		CP
11/08/01	532.35	582.35		CP
11/01/01	562.35	532.35		CP

Kon Custodial Parent Kame
Brownings

Case Sumber
003123r55701

Date Rec'd.	Amt. Rec'd.	Current Support	Arrears	Paid To:
01/31/02	182.35	132.35		AZ
01/24/02	132.35	122.35		hZ
01/17/02	182.35	192.35		P.Z
01/10/02	182.35	132.35		hZ
01/03/02	162.35	182.35		AZ
12/27/01	182.35	152.35		-LZ
12/20/01	182.35	182.35		hZ
12/13/01	182.35	182.35		.AZ
12/06/01	182.35	182.35		AZ
11/29/01	382.35	182.35	300.00	AZ
11/22/01	162.35	192.35		r Z
11/15/01	162.35	182.35		AZ
11/08/01	132.35	182.35		AZ
11/01/01	182.35	182.35		AZ

Xon Custodial Parent Xame
RobSimon

Case Sumber
030123455702

Date Rec'd.	Amt. Rec'd.	Current Support	Arrears	Paid To:
01/31/02	182.35	152.35		AZ
01/24/02	132.35	182.35		AZ
01/17/02	182.35	182.35		hZ
01/10/a2	182.35	182.35		AZ
01/03/02	182.35	182.35		AZ
12/27/01	182.35	182.35		AZ
12/20/01	162.35	182.35		LZ
12/13/01	182.35	182.35		LZ
12/05/01	182.35	182.35		AZ
11/29/01	392.35	152.25	300.03	LZ

Xon Custodial Parent Name	Case Number
Robbinson	000123456702

Date Rec'd.	Amt. Rec'd.	Current Support	Arrears	Paid To:
11/22/01	182.35	182.35		AZ
11/15/01	182.35	182.35		hZ
11/08/01	182.35	182.35		AZ
11/01/01	182.35	182.35		hZ

Adjustment of Current Support Amount(s) per Court Order:				
Case Number	Non Custodial Parent Name	Order Number	Adjusted To	Pay Begin Date
000123456000	Hernandez	D32002-012584	582.35	06/01/2002
000123456001	Ercc:-:ninos	C?.1?99-025852	182.35	04/03/1999
000123456002	?.cSSinscn	C?.1931-045678	000.00	c1/01/1991

* "-4" - .L\n "A" means that an adjustment \vas made to the payment it is printed by. This payment nas received in a prior moxh. The date listed is the original date the payment n-as received.

Requesting an Administrative Review

If you disagree with the distribution or disbursement of support payments as listed in this notice, you may file a written request of an administrative review pursuant to A.R.S. 36408, within 30 business days after the date of this notice. Your written request for the administrative review should be sent to the Division of Child Support Enforcement, P.O. Box 40108, Phoenix, Arizona 85067.

How To Read the Notice of Collections



Your Name
Your Street Address
Your City, State Zipcode

1
R= ~~~000123456700 John Srown
~000012~456701 Bill Green

1. The list of case numbers with names shows your ATLAS case numbers and the name of the non-custodial parent for that case.

Payments received and distributed/disbursed in (month or quarter), as well as payments previously received and identified for release to your ES?(S) in (month or quarter).

2	3	4	5	6	7	8
Date Rec'd.	Amt. Rec'd.	Non Custodial Parent Name	Case Number	Current Support	Years Paid	Paid To:

2. Date Rec'd. This is the date for which the collection was received. In the case of a collection made by a wage assignment, this will be the date that the collection was deducted from the paycheck. If a wage withholding did not make the collection, then this will be the date that the collection was received by DCSE.

When a collection is received that is more than the total amount due for the case, the excess may be held for release in the next month. When a non-custodial parent prepays support for future months, the Date Rec'd. will remain the original month in which the collection was received even though it is scheduled to be disbursed in a later month/months.

3. Amt. Rec'd. The amount received is the amount of the collection that DCSE received.

4. Non-Custodial Parent Name This is the name of the Non-Custodial Parent whose case was given credit for the collection. All collections received during the Notice's time period from this non-custodial parent will be listed under this name.

5. Case Number This is the ATLAS case number for the case for which the collection was received.

6. Current Support This is the amount that was collected for current support.

7. Arrears Paid This is the amount that has been collected for unpaid support from pre-previous months (arrears).

8. Paid To: This is to whom the payment was disbursed.

CP - the person who has custody of the child(ren).

AZ - Arizona kept this amount to pay back an amount you owe to the State.

If another state's abbreviation appears in this column, that means the collection was disbursed to that state for an amount you owe to them.

PF - the monthly processing fee charged to the Non-Custodial parent.

GT - genetic testing fee amount owed by the Non-Custodial parent.

Amt.	
Rec'd.	9
	1,234.56 A

9. An A next to an amount indicates that an adjustment was made to this collection. The date received (Date Rec'd.) will show the original date of receipt for this collection. To see how the collection was originally disbursed you will need to look at the Notice of Collection that originally showed the collection and compare it to the Notice that shows the adjustment. If you have questions about the adjustment you should call your local child support enforcement office for additional information.

Case Number	Non Custodial Parent Name	Child's Name	Adjusted To	Court Order:	Psy Begin Date
000123456000	XXXXXXXX	XXXXX	DR2002-O-2345	11.11	M W D D M

10. When your monthly court ordered support has been modified by the court this message will appear at the end of the details of your notice. It will let you know that DOSE has received a copy of the court order, changed the support amount, and the date the new amount begins. If you went to court to have your support order changed and do not see this message, please contact your local child support enforcement office to ask if they have received a copy of the new court order.

If you currently receive public assistance from the State of Arizona, or did receive public assistance from the State of Arizona in the past, you will receive additional information with your Notice of Collections. This additional information will explain the amounts owed to you and the amounts assigned and owed to the State of Arizona.

For an explanation of how arrears are assigned to the State, please request a copy of the pamphlet Understanding the Assignment of Rights and Understanding Disbursement from your local child support enforcement office.

If you disagree with the amounts listed in the notice, you may request an administrative review. Your written request for an administrative review should be sent to DCSE, P.O. Box 40408, Phoenix, AZ. 85067 within 30 business days after the date of the Notice.

INFORMATION REGARDING A
REQUEST TO REVIEW THE DISTRIBUTION/DISBURSEMENT OF
SUPPORT

The Department has received your verbal request/inquiry to review your case concerning the distribution/disbursement of support. An obligee (person entitled to receive support) who disagrees with the distribution/disbursement of support may contest the distribution/disbursement of support payments by requesting, in writing: an administrative review. A form is attached for you to use if you choose to proceed.

The written request for an administrative review must be received by DCSE within thirty (30) business days after the date of your notice of collections.

The request for an administrative review must state the basis for the dispute regarding the distribution/disbursement pursuant to A.R.S. 9 46-408, and include any relevant information to assist the Department including a copy of any order issued, documentation of support payments made and any notice sent by the Department.

The request for an administrative review of the distribution/disbursement of support shall be in writing, signed by the obligee, include the residential and mailing addresses of the obligee, and may be transmitted electronically.

If you decide to ask the Department to review the distribution/disbursement of recent support payments, the Department will review its records what you send them to determine if the distribution/disbursement was correct. Sometimes the Department must obtain information from another state or a court.

Department staff will check the court or administrative order amounts: payment information (including the source of payment and the date of collection under federal law) and where the monies were applied (e.g., to current child support, arrears, fees, etc.)

A written decision called a Response to Obligor's Request for Administrative Review will be mailed to you at the most recent address on file with the Division of Child Support Enforcement (on the ATLAS system).

IT IS VERY IMPORTANT THAT YOU HAVE YOUR CURRENT ADDRESS AND MOST RECENT SUPPORT ORDER, AS WELL AS ANY INFORMATION REGARDING PAYMENTS MADE DIRECTLY TO YOU BY THE OBLIGOR (NON-CUSTODIAL PARENT).

If you have any questions regarding this process, you may call your local child support office, contact a legal services office at 4insert number>, or hire your own attorney.

CPARSPN<ATIAS #>
<County/Office Name>
<County/Office Address>
<County/Office Address>
<City, State Zip>

DATE:
<Office Telephone Number>



<CP Name>
<CP Addr #1>
<CP Addr #2>
<City, State Zip>

Re:<ATIAS #> <NCP Name>
Court Order #

El tiempo de esta information es delicado

Si usted habla y lee solamente Espanol, porfavor llame a la ofcina local de Susteno de Menores y pregunte por un representante que hable Espanol. Si necesita asistencia legal gratis [llame a <insert local number>].

On <DATE> this office received your formal request for an administrative review of the distribution/ disbursement of support payments received by the Department of Economic Security. We are reviewing your complaint and will send a written decision to by/you *-in sert date 30 business days from dafe of this leftep.*

If you have any additional information or documents to support your request for a review, they must be received within thirfy *business* days of the date of this letter by the Division of Child Support Enforcement. For information concerning the availability of free leal services contact <telephone number>.

<name of sender>

Sate: If your address or telephone number changes, you must not@ us immediately,

CPARSPN<ATIAS #>
<County/Office Name7
<County/Office Address>
<County/Office Address>
<City, State Zip>

<Office Telephone Number7

DATE:



Re:<ATIAS #> <NCP Name>
Court Order #

<CP Name7
<CP Addr #1'
cCP Addr #27
<City, State Zip>

El tiempo de esta information es delicado

Si usted habla y lee solamente Espanol, porfavor llame a la ofcina local de Susteno de Menores y pregunte por un representante que hable Espanol. Si necesita asistencia legal gratis [llame a <insert local number>.

On <DATE> this office received your formal request for an administrative review of the distribution or disbursement of support payments made by the Department of Economic Security.

We are in need of further information you may have to complete a thorough review. Please send us the following within thirty (30) business days of the date of this letter:

For information concerning the availability of free legal services contact <telephone numbers.

<name of sender>

Note: If your address or telephone number changes, you must not@ us immediately.

CPARSPN<ATLAS #>
<County/Office Name>
<County/Office Address>
<County/Office Address>

<Date>
<Office Telephone Number>



<City, State Zip>
CP Name
CP Street Address
CP City, State ZIP

RE: CP Name and NCP Name
ATLAS Case #
Court Order #

El tiempo de esta information es delicado

Si usted habla y lee solamente Espanol, porfavor llame a la ofcina local de susteno de Menores y Pregunte por un representante que hable Espanol. Si necesita asistencia legal gratis llame a <insert local number>

We have received your Request for an Administrative Review made pursuant to A.R.S. § 46-408.

You have requested that the Department review the distribution/disbursement of the following support payment(s):

<insert amount, date, source (IRS, wage withholding, etc.) of all payments the CP has requested a review of>

YOLJ~ Request for an Administrative Review is denied because it was not received within thirty business days after the date of the Notice of Collection that reported the payment(s). A.R.S. 46-408(C).

You may file an appeal of this decision by submitting a written Notice of Appeal within 30 business days of the date of this letter to:

**The Office of Appeals
207 E. McDowell Road
Phoenix, Arizona 85004**

For information concerning the availability of free legal services contact <telephone number>. If you need legal assistance contact the Community Legal Services at <telephone number>.

Note: If you address or telephone number changes, you must notify us immediately.

CPARDNLcATIAS #>
<County/Office Name>
<County/Office Address7
<County/Office Address
<City, State Zip>

<Date>
<Office Telephone Number>



CP Name
CP Street Address
CP City, State ZIP

RE: CP Name and NCP Name
ATLAS Case #
Court Order #

El tiempo de esta information es delicado

Si usted habla y lee solamente Espanol, potfavor llame a la ofcina local de susteno de Menores y Pregunte por un representante que hable Espanol. Si necesita asistencia legal gratis llame a <insert local number>

We have received your Request for an Administrative Review made pursuant to A.R.S. §§ 25522 and 46-408. 1

You have requested an administrative review of the following:

<insert reason other than distribution/disbursement>

You'r request for an administrative review is denied because it does not relate to the distribution/disbursement of support payments. However, we have referred your request for assistance to who is responsible for your case. You should receive a response within the next thirty days.

You may file an appeal of this decision by submitting a written Notice of Appeal within 30 business days of the date of this letter to:

**The Office of Appeals
207 E. McDowell Road
Phoenix, Arizona 85004**

For information concerning the availability of free legal services contact <telephone number>.

Note: If your address or telephone number changes, you must notify us immediately.

B. The Department makes the following decision regarding disbursement of child support payment(s) <insert amount, date, source of all payments the CP has requested a review of>

() See attached payment history

() The total amount of the payments received during this time period was _____

() The IRS tax intercept received was for the amount of _____.

() The payments received during the time period were disbursed as follows:

() See payment disbursement ledger attached.

() See specific payment disbursement schedules attached

C. The Department finds as follows as to total disbursements for the relevant time frames:

() The total amount disbursed to you during this time period was _____

() The total amount kept by the State during this time period was _____

() The total amount disbursed to other recipients during this time period was _____

/

Name of Obligor: <insert name of NCP>

Payment Disbursement Schedule <#>

1. Payment dated: _____

The source for this payment was: _____

(> \$ _____ was the amount disbursed to you for current support
(including spousal support, if applicable)

(> \$ _____ was the current support amount kept by the State to repay
the public assistance you received.

(> \$ _____ was the amount kept by the State for the current month's
handling fee.

() \$ _____ was the amount kept by the State for temporarily assigned
arrears.

(> \$ _____ was the amount kept by the State for permanently
assigned arrears.

() s _____ was the amount kept by the State for prior unpaid fees:

() handling fee arrears

() genetic testing fees

' O S _____ was the amount applied to a prepaid or future support
obligation and not yet disbursed.

(> \$ _____ was the amount disbursed to you for arrears which
exceeded the total amount of cash assistance (TANFIAFDC) that
you have received.

(1 \$ _____ was the amount disbursed to _____

0 s _____ was the amount returned to the obligor.

VI. Department's Final Determination

- () There will be no adjustment in the distribution and disbursement of payments.
- () The amount of \$ _____ will be disbursed to you. A check for that amount will be mailed to you.
- () You will be contacted to make plans for repayment of \$ _____
- () Comments: _____

Based on the information you provided and the Department's records, this letter is the Final Determination of your request for administrative review of the disbursement of payments. If you are not satisfied with the results of your review, you may seek an appeal of this decision by submitting a written request within 30 days of the date of this determination letter to:

**The Office of Appeals
207 E. McDowell Road
Phoenix, Arizona 85004**

Sincerely,

Administrative Review Officer



ARIZONA DEPARTMENT OF ECONOMIC SECURITY
DIVISION OF CHILD SUPPORT ENFORCEMENT

3143 N. CENTRAL 1TH FLOOR PHOENIX, ARIZONA 85012 (602) 271-7703 P.O. BOX 4045.8 PHOENIX, ARIZONA 85067

Jane Dee Hull
Governor

John L. Claiborne
Director

<Date>

CP Name
CP Street Address
CP City, State ZIP

RE: CP Name and NCP Name
ATLAS Case #
Court Order #

En Espanol al lado reverso

El tiempo de esta information es delicado

We have received your request for an Administrative Review pursuant to A.R.S. §46-408.

The Department of Economic Security, Division of Child Support Enforcement (the Department) has reviewed the distribution and disbursement of child support payments in your case.

() You have requested that the Department review the disbursement of the following payment(s): <insert amount, date, source (IRS, wage withholding, etc.) of all payments the CP has requested a review of>

This notice describes the review the Department conducted and provides the final determination of the issues raised.

SEARCHED 12

I. Documents That You Provided

- () Court order dated _____
- () Notice of Collections dated _____
- () Proof of support payments made _____
- _____
- () Other documentation: _____
- _____
- _____

II. Steps Taken By The Department

Due to the specific issues you raised, the Department review included the following:

- () Reviewing information contained in the Department's records
- () Reviewing the documentation you provided
- () Contacting one or more person(s) to verify your claim
- () Contacting you for additional information
- () Other: _____
- _____

III. Department's Findings of Fact

A. On the basis of the Department's review, it makes the following general findings:

The obligor is _____

The name(s) and date(s) of birth of the child(ren) for whom you receive support is/are:

_____	-		-		-
_____	_____				
_____	-		-		-
_____	-		-		-

- () The current monthly support amount ordered in this case, ATLAS h!4WWHH is: _____
- () The monthly arrears amount ordered in this case, ATLAS #WMM### is: _____

B. The Department makes the following decision regarding disbursement of child support payment(s) <insert amount, date, source of ail payments the CP has requested a review of>

() See attached payment history.

() The total amount of the payments received during this time period was _____

() The IRS tax intercept received was for the amount of _____.

() The payments received during the time period were disbursed as follows:

() See payment disbursement ledger attached.

() See specific payment disbursement schedules attached

C. The Department finds as follows as to total disbursements for the relevant time frames:

() The total amount disbursed to you during this time period was _____

() The total amount kept by the State during this time period was _____

() The total amount disbursed to other recipients during this time period was _____

/

Name of Obligor: <insert name of NCP>

Payment Disbursement Schedule <#>

1. Payment dated: _____

The source for this payment was:

\$ _____ was the amount disbursed to you for current support (including spousal maintenance, if applicable).

\$ _____ was the amount kept by the State for current handling fees.

> \$ _____ was the amount disbursed to you for arrears owed to you.

> \$ _____ was the amount disbursed to you for interest on the arrears owed to you.

\$ _____ was the amount kept by the State for prior unpaid fees:

handling fee arrears

genetic testing fees

\$ _____ was the amount applied to a prepaid obligation and not yet disbursed.

\$ _____ was the amount returned to the obligor.

/

IV. Department's Conclusions

- () Your case is considered a never assistance case.
 - () The disbursement of support payments in your never assistance case was proper.
 - () The disbursement of support payments in your never assistance case was not proper.

- () Disbursement of the total payments made during the time period dated MM/DD/CCYY to MM/DD/CCYY should have been as follows:

\$ _____ was the amount that should have been disbursed to you for current support (including spousal support, if appropriate)

\$ _____ was the amount that should have been kept by the State for current handling fees.

\$ _____ was the amount that should have been disbursed to you for arrears.

\$ _____ was the amount that should have been kept by the State for prior unpaid fee.

\$ _____ was the amount that should have been disbursed to another recipient for _____

\$ _____ was the amount that should have been held as prepaid or future support.

V. Conclusion Summary for Never Assistance Case

- () The total amount disbursed to you during this time period should have been \$ _____

- () The total amount disbursed to you during this time period was \$ _____

- () The difference between the total amount that should have been disbursed to you and the amount actually disbursed to you is \$ _____. The Department is not authorized by law to pay interest on any amount owed to you. If you were overpaid, someone from the Department will contact you soon regarding repayment.

- () Comments: _____

VI. Department's Final Determination

- () There will be no adjustment in the distribution and disbursement of payments.
 - () The amount of \$ _____ will be disbursed to you. A check for that amount will be mailed to you.
 - () You will be contacted to make plans for repayment of \$ _____
 - () Comments: _____
-

Based on the information you provided and the Department's records, this letter is the Final Determination of your request for administrative review of the disbursement of payments. If you are not satisfied with the results of your review, you may seek an appeal of this decision by submitting a written request within 30 days of the date of this determination letter to:

**The Office of Appeals
207 E. McDowell Road
Phoenix, Arizona 85004**

Sincerely,

Administrative Review Officer

NOTICE OF APPEAL

THIS FORM MUST BE FILED WITH THE DES OFFICE OF APPEALS NO LATER THAN THIRTY (30) CALENDAR DAYS AFTER THE DATE OF THE DEPARTMENT'S RESPONSE TO OBLIGEE'S REQUEST FOR ADMINISTRATIVE REVIEW (THE WRITTEN DECISION SENT TO YOU)

DES Office of Appeals
207 E. McDowell Road
Phoenix, Arizona 85004

Date:

RE: ATLAS Case(s) No(s): _____

Notice of Appeal from Department's Response to Obligee Request for Administrative Review dated _____

I am the obligee in the above mentioned case(s) and hereby appeal the written decision as to the distribution/disbursement of support monies.

I believe the decision is incorrect for the following reason(s):

My current mailing address is: _____
/

Sincerely,

Signature

Print Name