

TRANSMITTAL SHEET FOR
NOTICE OF INTENDED ACTION

Control Department of Human Resources
Rule No. 660-3-5-.03
Rule Title: Receipt of Payment Directly By TANF Or Non-TANF
 New X Amend Repeal Adopt by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? N/A

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? N/A

Is there another, less restrictive method of regulation available that could adequately protect the public? N/A

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree? N/A

Is the increase in cost, if any, more harmful to the public than the harm that might result from the absence of the proposed rule? N/A

Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? YES

Does the proposed action relate to or affect in any manner any litigation which the agency is a party to concerning the subject matter of the proposed rule? N/A

Does the proposed rule have an economic impact? NO

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975, and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Services Agency.

Signature of certifying officer *Deanna A. Gruchman*

Date 10-4-18

(DATE FILED)
(STAMP)

APA-2

(Department of Human Resources)
(Child Support Enforcement Division)

NOTICE OF INTENDED ACTION

AGENCY NAME: Department of Human Resources

<u>RULE NO. & TITLE:</u>	660-3-5-.03	Receipt Of Payment Directly By TANF Or Non-TANF Recipients
	660-3-5-.04	Action On Erroneous Payments
	660-3-5-.06	Mandatory Fee For Support Collected For Recipients That Have Never Received IV-A Assistance

INTENDED ACTION: Proposed amendment to rules to comply with the Bipartisan Budget Act of 2018 (§ 53117 of P.L. 115-123), Modernizing Child Support Enforcement Fees, Section 545 (6)(B)(ii) of the Social Security Act.

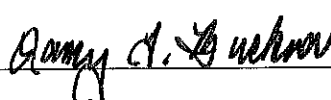
SUBSTANCE OF PROPOSED ACTION: The rule has been proposed to comply with the Bipartisan Budget Act of 2018 to increase the annual collection fee to \$35 in each case in which an individual has never received assistance under a State program funded under Title IV-A of the Act and for whom the State has collected and disbursed at least \$550 in support. The proposed amendment also clarifies language regarding action on erroneous payments made by the department and noncooperation for failure to turn over direct child support payments.

TIME, PLACE, MANNER OF PRESENTING VIEWS: All interested parties may submit data, views or arguments respecting the proposed amendment by mail or in person through close of business on December 5, 2018. Persons wishing to submit data, views or arguments orally should contact the Department's Administrative Procedures Secretary between the hours of 8:00a.m. and 4:30 p. m., Monday through Friday, excluding State holidays, at (334) 242-9330 to set up an appointment for such oral/in person presentations.

FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE: December 5, 2018

CONTACT PERSON AT AGENCY:

Gail Grobe, AP Secretary
State Department of Human Resources
Gordon Persons Building
50 Ripley Street, Suite 2122
Montgomery, Alabama 36130-4000
(334) 242-9334



Nancy T. Buckner
Commissioner

ECONOMIC IMPACT STATEMENT
FOR APA RULE
(Section 41-22-23(f))

Control No. 660 Department or Agency Human Resources

Rule No: 660-3-5.06

Rule Title: Mandatory Fee For Support Collected For Recipients That Have Never Received IV-A Assistance

 New X Amend Repeal Adopt by Reference

 This rule has no economic impact.

 X This rule has an economic impact, as explained below:

1. NEED/EXPECTED BENEFIT OF RULE:

The rule has been proposed to comply with the Bipartisan Budget Act of 2018 to increase the annual collection fee to \$35 in each case in which an individual has never received assistance under a State program funded under Title IV-A of the Act and for whom the State has collected and disbursed at least \$550 in support.

2. COSTS/BENEFITS OF RULE AND WHY RULE IS THE MOST EFFECTIVE, EFFICIENT, AND FEASIBLE MEANS FOR ALLOCATING RESOURCES AND ACHIEVING THE STATED PURPOSE:

NA

3. EFFECT OF THIS RULE ON COMPETITION:

NA

4. EFFECT OF THIS RULE ON COST-OF-LIVING AND DOING BUSINESS IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:

NA

5. EFFECT OF THIS RULE ON EMPLOYMENT IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:

NA

6. SOURCE OF REVENUE TO BE USED FOR IMPLEMENTING AND ENFORCING THIS RULE:

NA

7. THE SHORT-TERM/LONG-TERM ECONOMIC IMPACT OF THIS RULE ON AFFECTED PERSONS, INCLUDING ANALYSIS OF PERSONS WHO WILL BEAR THE COSTS AND THOSE WHO WILL BENEFIT FROM THE RULE:

NA

8. UNCERTAINTIES ASSOCIATED WITH THE ESTIMATED BENEFITS AND BURDENS OF THE RULE, INCLUDING QUALITATIVE/QUANTITATIVE BENEFITS AND BURDEN COMPARISON:

NA

9. THE EFFECT OF THIS RULE ON THE ENVIRONMENT AND PUBLIC HEALTH:

NA

10. DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE RULE IS NOT IMPLEMENTED:

NA

**Additional pages may be used if needed.

**ALABAMA DEPARTMENT OF HUMAN RESOURCES
CHILD SUPPORT ENFORCEMENT DIVISION
ADMINISTRATIVE CODE**

**CHAPTER 660-3-5
COLLECTION AND DISTRIBUTION OF
CHILD SUPPORT PAYMENTS**

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660-3-5-.01 Collection And Distribution Of Support Collected For TANF Recipients.

Support is to be collected by the local collection agent or State disbursement unit, as appropriate, and distributed by the automated child support system. Collection and distribution of support payments for TANF recipients will be done in accordance with 45 Code of Federal Regulations, Chapter III, Part 302; provided that payments made pursuant to the Alabama Uniform Interstate Family Support Act, when collected on behalf of a foreign jurisdiction, shall be forwarded to the appropriate collection agent in the foreign jurisdiction. Tax offset collections shall be distributed in accordance with federal and state laws and regulations.

Author: Clifford Smith

Statutory Authority: P.L. 93-647; 42 U.S.C. 651 et seq.; §9 of P.L. 96-611; 42 U.S.C. 663; 45 C.F.R. 205-235, 301-307; §2640 of P.L. 98-369; §171 (a) (3) of P.L. 97-248; §2333 (c) of P.L. 97-35; P.L. 98-378; ALABAMA STATE PLAN – CHILD SUPPORT ENFORCEMENT PROGRAM; Code of Ala. 1975, §§38-2-6, 38-2-6(1), 38-10-1 through -12, 40-18-100 through -109, 30-3A-101 through -906.

History: Effective June 28, 1983. Emergency amendment effective October 19, 1984. Permanent amendment effective January 9, 1985. **Amended:** Filed February 5, 1996; effective March 11, 1996. **Amended:** Filed May 5, 2004; effective June 9, 2004.

660-3-5-.02 Collection And Distribution Of Support Collected For Non-TANF Recipients.

Support is to be collected by the local collection agent or State disbursement unit, as appropriate, and distributed by the automated child support system. On termination of TANF or when collecting support pursuant to an application for services, collections on the current month's support obligation will be sent to the family prior to payment on arrears. Collections in addition to the current month's support obligation will be applied in accordance with federal and state laws and regulations. Payments made pursuant to the Alabama Uniform Interstate Family Support Act, when collected on behalf of a foreign jurisdiction, shall be forwarded to the appropriate collection agent in the foreign jurisdiction. Tax offset collections shall be distributed in accordance with federal and state laws and regulations.

Author: Clifford Smith

Statutory Authority: P.L. 93-647; 42 U.S.C. 651 et seq.; §9 of P.L. 96-611; 42 U.S.C. 663; 45 C.F.R. 205-235, 301-307; §2640 of P.L. 98-369; §171 (a) (3) of P.L. 97-248; §2333 (c) of P.L. 97-35; P.L. 98-378; ALABAMA STATE PLAN – CHILD SUPPORT ENFORCEMENT PROGRAM; Code of Ala. 1975, §§38-2-6, 38-2-6(1), 38-10-1 through -12, 40-18-100 through -109, 30-3A-101 through -906.

History: Emergency adoption effective October 19, 1984. Permanent adoption effective January 9, 1985. Emergency amendment effective October 1, 1985. Permanent amendment effective December 10, 1985. **Amended:** Filed February 5, 1996; effective March 11, 1996. **Amended:** Filed May 5, 2004; effective June 9, 2004.

660-3-5-.03 Receipt Of Payment Directly By TANF Or Non-TANF Recipients.

Support payments must be collected by the local collection agent or State disbursement unit, as appropriate, and distributed by the automated child support system. Payments received directly by a TANF recipient or a recipient of Non-TANF support services shall be turned over to the county IV-D collection agent or State disbursement unit for proper processing. Those who do not turn such direct child support payments over to the IV-D agency shall may be considered non-cooperative. Non-cooperation may result in sanctions or termination of services in accordance with federal regulations. For Non-TANF service recipients subject to termination of services, the Department of Human Resources shall provide a 60-day written notice to the service recipient of the intent to terminate. If the service recipient fails to contact the Department within 60 days and/or if the collection(s) are not turned in and distributed by the Department, services will may be terminated and the IV-D case will may be closed. If the recipient turns over the payment(s) to the IV-D collection agent in response to the written notice, all IV-D services will continue.

Author: Clifford Smith

Statutory Authority: P.L. 93-647; 42 U.S.C. 651 et seq.; §9 of P.L. 96-611; 42 U.S.C. 663; 45 C.F.R. 205-235, 301-307; §2640 of P.L. 98-369; §171 (a) (3) of P.L. 97-248; §2333 (c) of P.L. 97-35; P.L. 100-485; P.L. 103-66; P.L. 98-378; ALABAMA STATE PLAN – CHILD SUPPORT ENFORCEMENT PROGRAM; Code of Ala. 1975, §§38-2-6, 38-2-6(1), 38-10-1 through -12, 40-18-100 through -109, 30-3A-101 through -906.

History: New Rule: Filed February 5, 1996; effective March 11, 1996.

Amended: Filed May 5, 2004; effective June 9, 2004. **Amended:** Emergency amendment effective October 01, 2018. Proposed Permanent Filed: October 9, 2018.

660-3-5-.04 Action On Erroneous Payments.

An erroneous payment may be the result of an agency department error. The department has the responsibility to collect all erroneous payments that are a result of department error. Collection methods which may be utilized to recover the payments are through voluntary repayment plans, income tax offset, recoupment from future support payments, referral to a collection agency and/or through legal action. Repayment may be accepted in a lump sum or in negotiated payments. These may be in the form of cash, personal check, income tax intercepts, or money orders. The use of tax intercept for cases involving agency department error will be done as permitted under the Code of Alabama for collection of debts owed to the department:

Author: Clifford Smith

Statutory Authority: P.L. 93-647; 42 U.S.C. 651 et seq.; Section 9 of P.L. 96-611; 42 U.S.C. 663; 45 C.F.R. 205-235, 301-307; Section 2640 of P.L. 98-369; Section 171 (a) (3) of P.L. 97-248; Section 2333 (c) of P.L. 97-35; P.L. 100-485; P.L. 103-66; P.L. 98-378; ALABAMA STATE PLAN – CHILD SUPPORT ENFORCEMENT PROGRAM; Code of Ala. 1975, §§38-2-6, 38-2-6(1), 38-10-1 through -12, 40-18-100 through -109, 30-3A-101 through -906.

History: New Rule: Filed May 6, 1996; effective June 10, 1996. **Amended:** Filed May 5, 2004; effective June 9, 2004. **Amended:** Emergency amendment effective October 01, 2018. Proposed Permanent Filed: October 9, 2018.

660-3-5-.05 Date Of Collection Of Support Payments.

The date of collection for support is the date of receipt by the State disbursement unit/collection site.

Author: Clifford Smith

Statutory Authority: Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA); P.L. 93-647; 42 U.S.C. 651 et seq.; §9