

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION  
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2207

2007 SENATE HUMAN SERVICES

SB 2207

## 2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2207

Senate Human Services Committee

Check here for Conference Committee

Hearing Date: 1-24-07

Recorder Job Number: 1784

Committee Clerk Signature

*Mary K. Monson*

Minutes:

Senator J. Lee, Chairman, opened the hearing on SB 2207 to provide for assistance to parents in resolution of disputes in cases involving custody and support of children; to provide for a report; to provide an appropriation; and to provide an expiration date.

Senator Tom Fischer (District #46) appeared to introduce SB 2207, a piece of legislation that calls for dispute resolution in custody and child support cases. This is to give people another avenue to settle their differences in cases of divorce with children involved.

Mike Schwindt (Director of the Child Support Enforcement Division, DHS) testified in support of SB 2207. (Attachment #1)

Senator Dever asked if there are FTE's tied to this proposal.

Mr. Schwindt replied no, although the bill would permit them to hire some people.

Senator J. Lee asked who would be doing the work to set up the pilot.

Mr. Schwindt said they could either do it by contract with some agencies, non profit, or other governmental agencies or they could hire somebody.

Senator J. Lee wanted to make sure that if something is done with this there is a person whose job responsibilities can include this.

Mr. Schwindt answered that it is too open at this point to know how it will work.

Senator Erbele referred to testimony on page 3 concerning the frustrations of the non custodial and the custodial. He asked what the biggest areas of concern are in each category.

Mr. Schwindt said that lately the visitation has been the non custodial parent. He's suspecting the medical one will be surfacing very soon. For the custodial parent, the collection isn't coming in. They need the money to take care of the kids.

Senator Dever said there have some efforts on the part of the courts in some areas of ND to deal with divorce through mediation rather than the adversarial process. He asked if they are looking at this as part of the divorce process or after the divorce. Have some of those initiatives been successful?

Mr. Schwindt said what they are looking at here wouldn't necessarily have anything to do with the role of court. People have more respect for the court system than they have for child support. They would try to probably work on cases where the courts have not been involved. He used Texas as an example.

Senator J. Lee asked if the Texas solution would be one of the options that might be explored when they are discussing the type of program to use as a pilot.

Mr. Schwindt replied, yes, they would.

Senator J. Lee wanted to know if they found more discourse with parents who were never married or divorce situations.

Mr. Schwindt said the divorce situations give rise to more of the problems than the casual relationships. In many cases, there aren't as many feelings attached to it.

Senator Dever asked if the Ombudsman is just to advocate for the obligor.

Mr. Schwindt replied that is a real touchy issue. The child support program is not supposed to be an advocate for either party.

Senator Heckaman wanted to know if they had something specific in mind they are looking at relating to special funds and other income (section 3)

Mr. Schwindt said the \$150,000 in general funds could be used either for things they cannot use federal funds for such as visitation or it could be used to match federal funds.

Senator Warner asked for an explanation of the IVD program.

Mr. Schwindt explained that the child support program in ND deals with two types of customers. The non IVD caseload, about 10,000, are the people who have never been on assistance, may have been on assistance to close their cases. These are generally the folks who went about their business without any government involvement. The IVD caseload, about 40,000 cases in the system, are people who have been on assistance whether for TANF, for Medicaid, or for foster care, or who asked for help in collecting and managing their child support case.

There was no opposing or neutral testimony.

The hearing on SB 2207 was closed.

Senator Warner moved a Do Pass on SB 2207. Second by Senator Heckaman.

Senator Erbele said the bottom line is what's best for the kids, however, if we spend the money, what is the return on our investment. Does it create a better situation for the children?

Senator Dever said that along with that is the impact on the arrearages out there.

Mr. Schwindt gave a little historical perspective. Their cost benefit ratio for every dollar spent they collect about \$6. The general fund part of the equation is about \$62 collected for every general fund dollar stuck in this program now. The more critical question is "is this going to be better for the kids, is it going to be better for the taxpayers, is it going to be better for the parents?"

It's going to take some time to get started and bear the proof. He can't imagine how it would not pay off, at least as good over the long run as the 6-1 ratio that is going now.

Senator J. Lee called for the roll call.

Motion passed 6-0-0. Carrier is Senator Warner.

Senator Warner moved to reconsider the committee's action of DP on SB 2207.

Second by Senator Heckaman. Carried on a voice vote.

Senator Warner moved a Do Pass on SB 2207 and be rerefered to Appropriations.

Second by Senator Heckaman. Roll call vote 6-0-0. Carried.

Floor carrier is Senator Warner.



Date: 1-27-07  
Roll Call Vote #: 2

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. SB 2207

Senate HUMAN SERVICES Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Reconsider action

Motion Made By Sen. Warner Seconded By Sen. Heckaman

Senators	Yes	No	Senators	Yes	No
Senator Judy Lee, Chairman			Senator Joan Heckaman		
Senator Robert Erbele, V. Chair			Senator Jim Pomeroy		
Senator Dick Dever			Senator John M. Warner		

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

If the vote is on an amendment, briefly indicate intent:

*Voice Vote 6-0-0*



**REPORT OF STANDING COMMITTEE**

**SB 2207: Human Services Committee (Sen. J. Lee, Chairman) recommends DO PASS and BE REREFERRED to the Appropriations Committee (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2207 was rereferred to the Appropriations Committee.**

2007 SENATE APPROPRIATIONS

SB 2207

## 2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2207

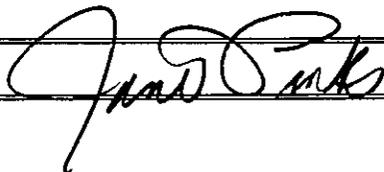
Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 02/01/07

Recorder Job Number: 2506

Committee Clerk Signature



Minutes:

**Chairman Holmberg** opened the hearing on SB 2207.

**Senator Tom Fischer, District 46, Fargo**, testified introducing SB 2207 which provides dispute resolution in cases involving custody and support for children. The bill resulted from an effort to put legislation in place for resolution of custody cases.

**Senator Mathern** asked if there would be a problem with moving this bill to judiciary vs. having it with the DHS. The response was that there was some talk of involving the supreme court but they declined.

**Mike Schwindt, Director, Child Support Enforcement Division of DHS**, presented written testimony (1) in support of SB 2207 indicating it is a way to look at alternative ways to better serve customers. He indicated the strides that had been made in recent years, recent accomplishments, the frustrations of parents on both sides of child support and how the bill came about.

**Senator Christmann** asked if there was feedback as to why the Governor did not include this in his budget. The response was this was not given to the Governor, he was still working on it.

**Senator Bowman** is concerned this is a way to develop a new program for continuing funding. His concern is does the court system support this and will they hold what you do as to what the obligation is for that child. He also expressed concern that this would be a duplication of costs

if the court does not abide by the ruling and there needs to be lawyers involved to make sure everything done is legal. The response was there is nothing that would bind the court.

**Senator Tallackson** indicated he suspected the court system is not in agreement with this, why. The response was that he doesn't know.

**Chairman Holmberg** specifically asked again about this being house within the judiciary and there was a sense that it would not be welcome there.

**Bill Newman, representing the State Bar Association**, testified responding to some of the questions that have arisen. He indicated the Bar Association does not oppose this bill, but does not support it either. It causes discomfort in that it tries to address some real problems and an adversarial system is not the way to resolve family issues. The supreme court has had a joint ADR committee that has been meeting for several years, trying to address these issues.

There is a specific sub-committee that will have a report available for the supreme court within a couple of months. There is money for ADR pilot projects there. The thing that makes the Bar Association uncomfortable is the custody issues. He did not think there was need for a parallel court system within DHS. He also indicated part of the reason the Bar Association is in opposition to this is that there are not specific details included.

**Senator Wardner** asked what ADR stands for. The response was Alternative Dispute Resolution which includes a number of things but the most important in family law settlement is mediation.

**Senator Seymour** indicated the court has had years to deal with this and nothing has been done. The response, yes, but it is a very complex area and it can't be handled by people getting together on a weekend to say let's try this. With this study, it will have a proposal developed with the input of several very knowledgeable people putting in their thoughts.

**Senator Krebsback** asked if the ADR program uses volunteer mediators or are they professional and do you see if there could be a way to merge these two programs to make it work better for their department as well as the judicial end. The response was the subcommittee has not come up with a fully developed program but he indicated the direction the ADR is going and the feeling is to do this kind of mediation well, it takes someone not only trained as a mediator but someone who is trained in the family law mediation, the supposition is it should be a combination of people employed by the court to act as coordinators and contract with individuals who are skilled family law mediators.

**Chairman Holmberg** closed the hearing on SB 2207.

# 2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2207

Senate Appropriations Committee

Check here for Conference Committee

Hearing Date: 02-12-07

Recorder Job Number: 3399

Committee Clerk Signature



Minutes:

**Chairman Holmberg** opened the hearing on SB 2207.

**Senator Fischer** explained this bill is a dispute revolution and it wouldn't solve anything.

The committee was asked if they wanted to act on this bill.

**Senator Fischer moved for DO NOT PASS, Senator Grindberg seconded. A roll call vote was taken resulting in 14 yeas, 0 nays, and 0 absent. The motion carried. Senator Fischer will carry the bill.**

The hearing on SB 2207 closed.

Date: 2-12-01  
Roll Call Vote #:

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. 2207

Senate Appropriations Committee

Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken do NOT pass

Motion Made By Fischer Seconded By Grindberg

Senators	Yes	No	Senators	Yes	No
Senator Ray Holmberg, Chrm	✓		Senator Aaron Krauter	✓	
Senator Bill Bowman, V Chrm	✓		Senator Elroy N. Lindaas	✓	
Senator Tony Grindberg, V Chrm	✓		Senator Tim Mathern	✓	
Senator Randel Christmann	✓		Senator Larry J. Robinson	✓	
Senator Tom Fischer	✓		Senator Tom Seymour	✓	
Senator Ralph L. Kilzer	✓		Senator Harvey Tallackson	✓	
Senator Karen K. Krebsbach	✓				
Senator Rich Wardner					

Total (Yes) 14 No \_\_\_\_\_

Absent \_\_\_\_\_

Floor Assignment Sen Fischer

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)  
February 12, 2007 3:24 p.m.

Module No: SR-29-2941  
Carrier: Fischer  
Insert LC: . Title: .

**REPORT OF STANDING COMMITTEE**

**SB 2207: Appropriations Committee (Sen. Holmberg, Chairman) recommends DO NOT PASS (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING).** SB 2207 was placed on the Eleventh order on the calendar.

2007 TESTIMONY

SB 2207

**TESTIMONY**  
**SENATE BILL 2207 - DEPARTMENT OF HUMAN SERVICES**  
**SENATE HUMAN SERVICES COMMITTEE**  
**SENATOR JUDY LEE, CHAIRMAN**  
**JANUARY 24, 2007**

Chairman Lee, members of the Senate Human Services Committee, I am Mike Schwindt, Director of the Child Support Enforcement Division of the Department of Human Services (DHS). I am here to testify in support of SB 2207 so that we can look at alternative ways to better serve our customers and stakeholders.

We have made great strides in recent years in providing customer service in the traditional ways.

- Gone are the days when we needed cell phones to make a call because all the incoming lines were tied up by unhappy customers wanting to know the status of their support payments.
- The inquiries from the congressional delegation and the Governor's office are way down.
- The referrals by legislators have dropped to a point where I receive very few per year. Most are referrals where an individual contacts many legislators on the same issue.

Many people deserve credit for these improvements:

- The State Disbursement Unit processes in excess of \$100 million each year, most of which is distributed and paid out the same day we receive payment.
- Our payment records, while not perfect, have withstood the test of time. The numerous challenges we once had have dwindled significantly.

- Regional Child Support Enforcement Unit (RCSEU) staff are more available to their local customers.
- People can monitor their accounts 24/7 via the phones or the Web site.
- Clerks are providing information to us more quickly and consistently, as well as working their alerts more expeditiously.
- Employers have a better understanding of what is expected and have been most helpful in providing the information and payments.
- State agencies have been willing partners in the service delivery. My thanks go to all those who have worked with us, especially to the Secretary of State, DOT, Health Department, Game and Fish Department, the Courts, the Legislature, Tax Department, Attorney General's office, and of course, other divisions within DHS.

While we have made significant progress, there is much more to be done.

We are taking steps to improve where we can. For some, we will never get it right. Most recently, we:

- Reworked our website to make it more user friendly.
- Developed a customer service survey for those using the web.
- Implemented a notification system so we can introduce customers to the CSE program and provide alerts on significant events in their case.
- Developed mechanisms so that we can set up payment plans that parents can use to better address their obligations.

When I review customer issues, in addition to addressing the specific concerns, I look to see what gives rise to the contacts, to determine what themes are surfacing. Not surprisingly, the answers are different depending on whether the customer is a noncustodial or custodial parent.

Noncustodial parents are frustrated on a number of subjects, primarily:

- Visitation
- Access to the courts – ability to hire an attorney
- Obligation amount/changed circumstances
- IV-D appearing to represent the other party
- How the money is used
- Timeliness of services
- Medical insurance
- Interest

Custodial parents have their own set of frustrations, primarily but not limited to:

- Nonpayment of child support
- Nonpayment of medical costs
- Access to the courts
- Obligations set too low
- Poor customer service from the program

We need to know what we can do differently to have a positive impact on our customers, the kids and the taxpayers.

- We see some of the things that other states do and brag about.
- We “borrow” their ideas where we can but that, for the most part, has been piecemeal and slow because we need to do that

with the existing resources, which never contemplated some of the potential improvements.

- Our initial results with the Parental Employment Pilot Program are very positive.
- We have received funding under an 1115 demonstration grant to look for ways to improve the interactions between foster care and child support.

The steps I've just described have led to the bill before you. Through improved customer service, we have tried to encourage both noncustodial and custodial parents to cooperate with us. However, a big challenge that remains has to do with the current adversarial process for making custody and support decisions, which often focuses on the perceived negatives of each parent rather than the best interests of the children.

We are not suggesting that the courts be replaced as the authority for establishing child support obligations, but the reality is that many parents in our caseload cannot afford an attorney and are too intimidated by the unfamiliar environment of a court to represent themselves, even when a change in custody or the child support obligation is warranted.

We believe the solution lies in spending additional time working with parents to focus on cooperation and the best interests of the children, so the parties can reach an agreement on custody and support that can be ratified by the court. For the few cases where those efforts fail, we also believe that there are ways to help parents address their differences in court even if they cannot afford an attorney.

We are at a point where, to reach the next level in customer service, we need to know what works in our environment, considering the cultural, governmental, legal, financial and social factors within our state.

The language in Section One suggests many things that could be included within the pilot programs. This stems from some ongoing work at the national level dealing with interactions between courts and foster care and/or child support as well as federal initiatives for increased collaborative efforts between Child Support Enforcement, Foster Care, TANF and Medicaid. We also know of programs underway to determine if there are alternative ways to handle these types of domestic cases without involving an adversarial court process. We would like to see some of the preliminary results and test those efforts in North Dakota.

We are aware of at least two study resolutions dealing with custody, visitation and child support orders. We believe there are enough potential areas for improvement that the subjects contained in those resolutions, should they be selected for study, can readily dovetail with and not duplicate any efforts we would undertake here.

We don't know if what we will test will actually make a difference; hence the request for funding to run some pilot projects.

To move in that direction, we ask that you approve the concept behind SB 2207 and the general fund appropriation.

Madame Chairman, that concludes my testimony. I'd be happy to answer questions.