

MINUTES OF THE HOUSE JUDICIARY COMMITTEE

The meeting was called to order by Chairperson Michael O'Neal at 3:30 p.m. on January 29, 2001 in Room 313-S of the Capitol.

All members were present except:

Representative Kathe Lloyd - Excused

Committee staff present:

Jerry Ann Donaldson, Legislative Research Department

Jennifer Strait, Intern for Legislative Research Department

Jill Wolters, Revisor of Statutes Office

Cindy O'Neal, Committee Secretary

Conferees appearing before the committee:

Kathy Porter, Office of Judicial Administration

Marilyn Jacobson, Attorney Department of Social & Rehabilitation Services

The hearings on the Kansas Payment Center were continued with Kathy Porter, Office of Judicial Administration, appearing on behalf of Howard Schwartz. (Attachment 1)

The Kansas Supreme Court issued Administrative Order No. 154 with authorized support payments to be made to the Kansas Payment Center (KPC) for a period of one year. Thereafter, it would require legislation to continue that Order. The KPC collects and disburses payments to the custodial parents while the courts are the enforcement measure.

Mrs. Porter commented that it is understandable that custodial parents are upset when they were use to receiving their payments on time and no longer do. They were use to having direct contact with the trustees who could help them with any problems they might have. Now they have to contact the KPC and are place on hold and have trouble getting closure on their problems. Lately KPC has been in constant contact with the trustees to help solve the problems and close suspense files.

Marilyn Jacobson, Attorney Department of Social & Rehabilitation Services, was asked about the \$144 thousand in fines that have been assessed but not collected. Ms. Jacobson responded that SRS is considering spending the money on enhancements for Tier Technology (TT) so the payment center can run smoothly.

Committee members were still concerned about the turn-around time for checks. Ms. Jacobson reassured the members that the only time a check wouldn't be turned around with in the 48 hour mandated time would be if the check was placed in a suspense file, i.e. one that was missing information. She also informed us that employers could take up to seven days to make payment on child support cases.

Other members were concerned about the amount of interest that TT had received. Ms. Jacobson stated that TT ensures her that by the time all bank fees are paid they only make \$2,000 off of the interest. However, she stated that the Treasurer's office estimated that there would be \$50 thousand per year in interest that could be made. The Committee requested TT provide SRS & the Committee with copies of their bank statements.

Chairman O'Neal made the motion to have a committee bill which would set up a State Disbursement Advisory Commission with would have oversight of the KPC. Representative Loyd seconded the motion. The motion carried.

Ms. Jacobson stated that the Federal mandate required that only payroll withholding and Title IV-D cases any other type of child support payments didn't need to go through the payment center.

Kathy Porter reported that currently there are 54.4% are Title IV-D cases and 45% are non Title IV-D.

Committee minutes from January 10, 16, 17, 22, & 23 were distributed.

The committee meeting adjourned at 4:45 p.m. The next meeting was scheduled for January 30, 2001.