

SENATE BILL No. 420

AN ACT concerning children; relating to support thereof; amending K.S.A. 2005 Supp. 23-4,118 and repealing the existing section; also repealing K.S.A. 39-7,153.

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

Section 1. K.S.A. 2005 Supp. 23-4,118 is hereby amended to read as follows: 23-4,118. (a) The department of social and rehabilitation services, the title IV-D agency for the state, shall ~~establish~~ *maintain* a central unit for collection and disbursement of support payments to meet the requirements of title IV-D *and this section. Such central unit shall be known as the Kansas payment center. The name "Kansas payment center" shall be reserved for use by the state of Kansas for the functions of the central unit and shall not be used by any entity without the consent of the secretary of social and rehabilitation services.*

~~(b) The department may contract with a private vendor for the establishment and another entity for development, enhancement or operation, in whole or in part, of such central unit. Any contract currently in place shall be modified on or before July 1, 2001, to take into account the provisions of this subsection. The Kansas payment center shall be subject to the following conditions and limitations shall apply to any such contract.~~

(1) ~~Any contract shall incorporate by reference~~ *The Kansas payment center shall be subject to the Kansas supreme court rule concerning official child support and maintenance records established pursuant to subsection (c).*

(2) ~~No contract shall include provisions allowing the vendor contractor to be paid, in whole or in part, on the basis of an amount per phone call received by the center nor allowing the vendor contractor to be paid an amount per check issued for checks that were issued in error by the center. Nothing in this paragraph shall be construed to prevent the secretary of social and rehabilitation services from compensating on the basis of an amount per phone call any contractor that does not process receipts or disbursements under this section.~~

(3) ~~Any contract with a private vendor for processing receipts or disbursements under this section shall include penalty provisions for non-compliance with federal regulations relating to the timeliness of collections and disbursements and shall include a monetary penalty of \$100 for each erroneous transaction, whether related to collection or disbursement. Penalties shall be collected as and when assessed. Of the penalty, \$25 shall be allocated to the obligee and \$75 shall be allocated to the department of social and rehabilitation services.~~

(4) ~~Any contract with a private vendor shall provide for full access to all data by the secretary's designee in the central receivables unit, the designee of the office of judicial administration and the chairperson of the central payment center oversight commission. Further, the contract shall provide that Designees of the secretary of social and rehabilitation services and designees of the office of judicial administration shall have full access to all data, subject to the provisions of title IV-D of the federal social security act, 42 U.S.C. § 651 et seq. Designees of the secretary of social and rehabilitation services, all district court clerks and court trustees shall have access to records of the vendors Kansas payment center sufficient to allow them to assist in the process of matching support payments to the obligees and be provided dedicated telephone access to the vendor for the purpose of assisting the vendor in making accurate and timely disbursements correct accounts.~~

(5) ~~Any contract with a private vendor, in addition to The Kansas payment center shall provide sufficient customer service staff during regular business hours, shall require 24-hour access by obligors and obligees to payment files which show. Obligor and obligees shall be provided 24-hour access to information about the status of receipts and disbursements, including, but not limited to, date of receipt by the vendor center, date of processing by the vendor center and date of mailing disbursement to the obligee.~~

~~(6) Any contract with a private vendor shall provide that the central unit be known as the Kansas payment center. The name "Kansas payment center" shall be reserved for use by the state of Kansas for the functions of the central unit and shall not be used by any private entity for the collection of support funds.~~

~~(7) Any contract with a private vendor shall provide that the vendor create a standardized form that shall accompany all payments made to~~

~~the central unit for new orders effective on and after January 1, 2002. Such form shall contain the information necessary to assist in the disbursement of such payments.~~

(b) *The Kansas payment center shall have, by operation of law, a limited power of attorney to perform the specific act of endorsing and negotiating all drafts, checks, money orders or other negotiable instruments representing support payments received by the center. Nothing in this subsection shall be construed as affecting the property rights or interests of any person in such negotiable instruments. The provisions of this subsection shall apply to any negotiable instrument received by the center on or after October 1, 2000.*

(c) The Kansas supreme court, by court rule, shall establish the procedure for the creation, maintenance and correction of official child support and maintenance records for use as official court records.

(d) ~~The department shall collaborate with the Kansas supreme court to establish the central unit for collection and disbursement of support payments~~ *maintain the Kansas payment center, which shall include, but is not limited to, all support payments subject to the requirements of title IV-D. Upon designation by the Kansas supreme court, the central unit for collection and disbursement of support payments shall commence operations with respect to support orders entered in each county as provided in a schedule adopted or approved by the supreme court or the supreme court's designee of the federal social security act, 42 U.S.C. § 651 et seq., and, except as specifically directed otherwise by the court pursuant to K.S.A. 60-1610, and amendments thereto, all other support payments due under a court order entered in this state.*

(e) ~~When the central unit for collection and disbursement of support payments commences operations with respect to a county, Any provision in any child support order or income withholding order entered in that county this state which requires remittance of support payments to the clerk of the district court or district court trustee shall be deemed to require remittance of support payments to the central unit for collection and disbursement of support payments~~ *Kansas payment center, regardless of the date the child support or income withholding order was entered.*

(f) ~~As used in this section, "child support order" includes any order for maintenance of a spouse or ex-spouse issued in conjunction with a child support order.~~

~~(g) Any unmatched funds which remain unmatched one year after the transfer and after a good faith effort has been made to find the obligee shall be deposited with the state treasurer in accordance with the unclaimed property act. (1) Except as otherwise provided in this subsection, payments received by the Kansas payment center which cannot be matched to any account nor returned to the payor shall be transferred to the state treasurer in accordance with the unclaimed property act.~~

(2) *Except as otherwise provided in this subsection, disbursements which cannot be delivered to the payee after a good faith effort to locate the payee shall be transferred to the state treasurer in accordance with the unclaimed property act.*

(3) *To the extent that the secretary of social and rehabilitation services would be required to treat as federal program income any amount transferable to the state treasurer pursuant to this subsection or the unclaimed property act, such amount shall not be presumed abandoned but shall be held by the secretary until the amount may be delivered to the true owner. The secretary and the state treasurer shall collaborate on procedures for locating the true owner and confirming claims to amounts so held.*

Sec. 2. K.S.A. 39-7,153 and K.S.A. 2005 Supp. 23-4,118 are hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.

I hereby certify that the above BILL originated in the SENATE, and passed that body

President of the Senate.

Secretary of the Senate.

Passed the HOUSE _____

Speaker of the House.

Chief Clerk of the House.

APPROVED _____

Governor.