

TITLE 6. ECONOMIC SECURITY
CHAPTER 7. DEPARTMENT OF ECONOMIC SECURITY
CHILD SUPPORT ENFORCEMENT

Editor's Note: New 6 A.A.C. 7 made by final rulemaking at 10 A.A.C. 1973, effective April 23, 2004 (Supp. 04-2).

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Section

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ARTICLE 1. GENERAL PROVISIONS**R6-7-101. Definitions**

The following definitions apply in this Chapter unless otherwise provided in a specific Article of this Chapter:

1. "Allocation" means the prorated division of collections.
2. "Annual fee" means the amount owed by the recipient of services when the Title IV-D Agency has collected \$500.00 of support in a federal fiscal year.
3. "Arrearages" means unpaid amounts of support owed.
4. "Assistance unit" means a group of persons whose needs, income, resources, and other circumstances are considered as a whole for the purpose of determining eligibility and benefit amount for cash assistance.
5. "Business day" means a day on which state offices are open for regular business. A.R.S. § 46-408.
6. "Caretaker" means an individual other than a parent in a Title IV-D case who has physical custody of a child and may have the right to support of that child under A.R.S. § 46-444.
7. "Cash assistance" means temporary payments for needy families paid to a recipient for the purpose of meeting

- basic living expenses, as described by the Department at 6 A.A.C. 12.
8. “Cash medical support” means the court ordered monthly amount to be paid as an alternative when medical insurance is not accessible or available at a reasonable cost in accordance with A.R.S. § 25-320.
 9. “Child Not on Grant” means a child who:
 - a. Resides with an assistance unit receiving cash assistance,
 - b. Is not eligible for cash assistance due to the receipt of Social Security income, and
 - c. Is exempt from the assignment under A.R.S. § 46-407.
 10. “Child Support Case Registry” or “Registry” means certain automated records of all Title IV-D cases, and all other cases in which a support order is established, modified, or registered in Arizona on or after October 1, 1998.
 11. “Conditionally assigned arrearages” are arrearages that:
 - a. Do not exceed the total cumulative amount of unreimbursed cash assistance paid to a family as of the date the family stops receiving cash assistance;
 - b. Were temporarily assigned arrearages; and
 - c. Became conditionally assigned on the date that the family stopped receiving cash assistance or October 1, 2000, whichever date is later.
 12. “Current assistance case” means a Title IV-D case in which an assistance unit is currently receiving cash assistance.
 13. “Current support” means the monthly amount of money ordered by a court or an administrative entity for the support of a child, spouse, or former spouse and may include cash medical support.
 14. “Department” means the Department of Economic Security.
 15. “Disbursement” means the payment of monies to an obligee or other authorized recipient.
 16. “Distribution” means application of support and related collections to one or more specific obligations or debts.
 17. “F.A.A.” means the Family Assistance Administration, the entity within the Department responsible for administering the Department’s Cash Assistance Program.
 18. “Federal fiscal year” means the 12 consecutive months beginning October 1 and ending September 30 for which the Office of Child Support Enforcement in the United States Department of Health and Human Services plans the use of its funds.
 19. “Federal income tax refund offset” means the intercept of Internal Revenue Service income tax refunds to pay support as provided in 26 U.S.C. 6402 and 42 U.S.C. 664.
 20. “Fees and costs” means amounts ordered by the court or administrative entity or agreed to be paid to the Title IV-D Agency for genetic testing, service of process, or other expenses.
 21. “Former assistance case” means a Title IV-D case in which an assistance unit formerly received cash assistance and is no longer receiving cash assistance.
 22. “Futures” means an amount of support received by the Title IV-D Agency, excluding any federal or state income tax refund offset, which when received exceeds the amount of current support owed in a Title IV-D case with no arrearages or other unpaid obligations as stated in 45 CFR 302.51(b). Futures do not include prepaid support.
 23. “Handling fee” means the monthly charge prescribed in A.R.S. § 25-510, which is set by the Department director, and is payable to the Title IV-D Agency’s Clearinghouse.
 24. “Income withholding order” means an order that directs an obligor’s employer, payor, or the obligor to withhold monies from the obligor’s income.
 25. “Initiating state” means a state from which a proceeding is forwarded or in which a proceeding is filed for forwarding to a responding state under A.R.S. Title 25, Chapter 9 or a law or procedure substantially similar to A.R.S. Title 25, Chapter 9. A.R.S. § 25-1202.
 26. “Injured spouse claim” means a written request from the spouse of an obligor stating that the spouse has an interest in an income tax refund based on a joint federal income tax return.
 27. “IRS tax reversal” means a rescission by the Internal Revenue Service of a federal income tax refund offset that was previously received by the Title IV-D Agency.
 28. “Issuing state” means the state in which a tribunal issues a support order or renders a judgment determining parentage. A.R.S. § 25-1202.
 29. “Medical assistance” means benefits received from a state agency under Title XIX of the Social Security Act.
 30. “Medical support judgment” means a judgment for the costs of medical insurance coverage or uncovered medical expenses of the child.
 31. “Never assigned arrearages” means arrearages that:
 - a. Accrue in a never assistance case, or in a former assistance case after an assistance unit’s most recent period of cash assistance ends; and
 - b. Are not assigned.
 32. “Never assistance case” means a Title IV-D case in which a family never received cash assistance, but could be receiving or has received medical assistance under Title XIX of the Social Security Act.
 33. “Nonobligated spouse” means the spouse who filed an Arizona state income tax return jointly with an obligor.
 34. “Non-periodic payment” means a non-recurring amount or an amount that is not paid at regular intervals.
 35. “Obligee” means a person or agency entitled to receive support. A.R.S. § 25-500.
 36. “Obligor” means a person obligated to pay support. A.R.S. § 25-500.
 37. “OCSE” means the Office of Child Support Enforcement in the United States Department of Health and Human Services.
 38. “Order” means a legal directive issued by an officer or entity legally authorized to issue orders.
 39. “Past support” means the amount of support reduced to a written judgment for the care and support of a child for the period before a current child support order is established.
 40. “Permanently assigned arrearages” means arrearages that do not exceed the total cumulative amount of unreimbursed cash assistance paid to an assistance unit at the time the assistance unit leaves assistance, and
 - a. Accrued before the family received assistance and were assigned to the state before October 1, 1997; or
 - b. Accrue during any period in which the assistance unit received cash assistance and were assigned to the state on or after October 1, 1997.
 41. “Pregnancy and childbirth expenses” means the costs of pregnancy and childbirth, which may be reduced to a written judgment under A.R.S. § 25-809.
 42. “Pregnancy and childbirth judgment” means a final court order for the costs of pregnancy and childbirth.
 43. “Prepaid support” means payments for monthly support that the obligor or the obligor’s agent designate in writing

- as payments for support in future months, even in cases with arrearages.
44. “Related payments” means monies other than support received under an order or agreement.
 45. “Responding state” means a state in which a proceeding is filed or to which a proceeding is forwarded for filing from an initiating state under A.R.S. Title 25, Chapter 9 or a law substantially similar to A.R.S. Title 25, Chapter 9. A.R.S. § 25-1202.
 46. “Spousal maintenance” or “spousal support” means an amount of money ordered under A.R.S. § 25-319 or a similar law of another state, for the support or maintenance of a spouse or former spouse.
 47. “State” has the meaning in A.R.S. § 25-1202(22).
 48. “Support” means the provision of maintenance or subsistence and includes medical insurance coverage, or cash medical support, and uncovered medical costs for the child, arrearages, interest on arrearages, past support, interest on past support and reimbursement for expended public assistance. In a Title IV-D case, support includes spousal maintenance or spousal support that is included in the same order that directs child support. A.R.S. § 25-500.
 49. “Support Payment Clearinghouse” or “Clearinghouse” means the state disbursement unit for the Title IV-D Agency established under A.R.S. § 46-441 to collect and disburse all payments under support orders or agreements.
 50. “Temporarily assigned arrearages”
 - a. Means arrearages that:
 - i. Do not exceed the total cumulative amount of unreimbursed cash assistance paid to an assistance unit as of the date the unit stops receiving cash assistance;
 - ii. Accrue before any period in which the assistance unit receives cash assistance for arrearages assigned to the state on or after October 1, 1997; and
 - iii. Are not permanently assigned arrearages; and
 - b. The temporary assignment is no longer effective on October 1, 2000, or when the assistance unit stops receiving cash assistance, whichever is later.
 - c. Effective on and after October 1, 2009, no new temporary assignments of unpaid support begin.
 51. “Temporary assistance for needy families” (TANF) means assistance granted under § 403 of Title IV of the Social Security Act, as it exists after August 21, 1996. A.R.S. § 46-101.
 52. “Title IV-A” means Title IV-A of the Social Security Act, 42 U.S.C. 601 et seq.
 53. “Title IV-D” means Title IV-D of the Social Security Act, 42 U.S.C. 651 et seq.
 54. “Title IV-D Agency” means the Division of Child Support Enforcement and all of its contracting entities that administer Title IV-D services.
 55. “Title IV-E” means Title IV-E of the Social Security Act, 42 U.S.C. 670 et seq.
 56. “Title XIX” means Title XIX of the Social Security Act, 42 U.S.C. 1396 et seq.
 57. “Title XIX Agency” means the Arizona Health Care Cost Containment System (AHCCCS).
 58. “Tribunal” means a court, administrative agency or quasi-judicial entity authorized to establish, enforce or modify support orders or to determine parentage. A.R.S. § 25-1202.
 59. “UIFSA” means the Uniform Interstate Family Support Act, A.R.S. §§ 25-1201 et seq.
 60. “Unassigned arrearages” means previously permanently assigned and temporarily assigned arrearages that exceed the total cumulative amount of unreimbursed cash assistance paid to a family as of the date the family stops receiving cash assistance and includes both unassigned during-assistance arrearages and unassigned pre-assistance arrearages.
 61. “Unassigned during-assistance arrearages” means all previously permanently assigned arrearages that:
 - a. Exceed the total cumulative amount of unreimbursed cash assistance paid to an assistance unit as of the date the assistance unit stops receiving cash assistance; and
 - b. Accrue during any period in which the assistance unit receives cash assistance for arrearages assigned to the state on or after October 1, 1997.
 62. “Unassigned pre-assistance arrearages” means all previously temporarily assigned arrearages that:
 - a. Exceed the total cumulative amount of unreimbursed cash assistance paid to an assistance unit as of the date the assistance unit stops receiving cash assistance; and
 - b. Accrue before any period in which the assistance unit receives cash assistance for arrearages assigned to the state on or after October 1, 1997 but before October 1, 2009.
 63. “Unreimbursed cash assistance” means the total, cumulative amount of cash assistance for which the state of Arizona has not received reimbursement.
 64. “Voluntary payment” means monies received by the Title IV-D Agency on behalf of a child for whom no order for support is established.

Historical Note

New Section made by final rulemaking at 11 A.A.R. 5201, effective November 15, 2005 (Supp. 05-4). Amended by final rulemaking at 15 A.A.R. 1250, effective September 5, 2009 (Supp. 09-3). Amended by exempt rulemaking at 16 A.A.R. 1138, effective July 1, 2010 (Supp. 10-2).

R6-7-102. Interest on Support and Related Payments

Interest shall not accrue on support and related payments retained by the Clearinghouse for disbursement and the Clearinghouse shall not pay interest on these monies unless state or federal statutes require payment of interest.

Historical Note

New Section made by final rulemaking at 11 A.A.R. 5201, effective November 15, 2005 (Supp. 05-4).

R6-7-103. Payment Handling Fee

Under A.R.S. § 25-510, the monthly payment handling fee shall be \$5.00.

Historical Note

New Section made by exempt rulemaking at 16 A.A.R. 1138, effective July 1, 2010 (Supp. 10-2).

ARTICLE 2. RESERVED

ARTICLE 3. RESERVED

ARTICLE 4. PASSPORT DENIAL

R6-7-401. Definitions

The following definitions apply in this Article unless otherwise provided in a specific Section of this Article:

1. “Certification” means to furnish OCSE with the name, identifying information, and amount of the arrearage owed by an individual determined delinquent in fulfilling a child support obligation.
2. “Federal administrative offset” means the interception of certain federal payments in order to collect past-due child support. Based on the Debt Collection Improvement Act (DCIA) of 1996, the process is managed by the Federal Office of Child Support Enforcement (OCSE), through the Financial Management Service (FMS) of the Department of the Treasury, in conjunction with the Federal Tax Refund Offset Program.
3. “Passport denial” means the certification process followed by the Title IV-D Agency and the United States Secretary of State, to refuse to issue a passport or to revoke, restrict, or limit a passport that was previously issued, because the obligor in a Title IV-D case has an arrearage in an amount that qualifies for certification under federal statute.
4. “Secretary” means the United States Secretary of State.
5. “Title IV-D case” means a proceeding for support managed by the Title IV-D Agency as required by Title IV-D of the Social Security Act, 42 U.S.C. 651 et seq.

Historical Note

New Section made by final rulemaking at 11 A.A.R. 4540, effective December 17, 2005 (Supp. 05-4).

R6-7-402. Certification and Criteria

- A. The Title IV-D Agency shall:
 1. Submit and certify to OCSE for passport denial any Title IV-D case with an arrearage that qualifies for certification under federal statute; and
 2. Refer the case to OCSE for federal income tax refund offset and federal administrative offset under federal statute.
- B. The Title IV-D Agency shall submit and certify a case for passport denial if the case meets both of the following criteria:
 1. A support obligation has been established by a court or an administrative order; and
 2. The arrearage is in an amount that qualifies for certification under federal statute.
- C. The Title IV-D Agency shall not submit the following cases for passport denial:
 1. Interstate cases in which the obligee receives temporary assistance for needy families and the state of Arizona does not have an assignment of rights.
 2. Cases in which federal law precludes action.

Historical Note

New Section made by final rulemaking at 11 A.A.R. 4540, effective December 17, 2005 (Supp. 05-4).

R6-7-403. Notice

- A. The Title IV-D Agency shall provide written notice to an obligor that the obligor has a support arrearage in an amount that qualifies for certification under federal statute, and that the obligor has been referred for federal administrative offset, federal income tax refund offset, and passport denial.
- B. The Title IV-D Agency shall send the notice to an obligor by first class mail. The mailing of the notice to the obligor’s last known address of record with Title IV-D Agency constitutes proper and sufficient notice.
- C. The notice shall inform the obligor of the right to contest the enforcement action.

Historical Note

New Section made by final rulemaking at 11 A.A.R. 4540, effective December 17, 2005 (Supp. 05-4).

R6-7-404. Administrative Review

- A. An obligor may file a written request for administrative review by the Title IV-D Agency within 30 business days from the date on the notice mailed in accordance with R6-7-403.
- B. An obligor has the burden of proof regarding each issue raised in an administrative review.
- C. The issues in an administrative review are limited to:
 1. Whether there has been a mistake regarding the identity of the obligor; and
 2. The amount of the obligor’s arrearage, if any.
- D. If an obligor alleges that there has been a mistake regarding the identity of the obligor, the Title IV-D Agency shall issue a final written determination by first class mail to all parties within two business days after receipt of the request for administrative review.
- E. For all circumstances other than a mistake regarding the identity of the obligor, the Title IV-D Agency shall issue a final written determination by first class mail to all parties within 45 business days after receipt of the request for administrative review, or if additional information is required and provided, 45 business days after receipt of this information.
- F. In an interstate case, only the certifying state has the authority to withdraw an obligor from the passport denial process.
- G. If an obligor does not request an administrative review within 30 business days, the Title IV-D Agency’s certification for purposes of passport denial remains in effect.
- H. If an obligor requests an administrative review within 30 business days and meets the requirements for withdrawal of certification for passport denial in R6-7-405, the Title IV-D Agency shall notify OCSE to withdraw certification for passport denial in accordance with OCSE requirements.

Historical Note

New Section made by final rulemaking at 11 A.A.R. 4540, effective December 17, 2005 (Supp. 05-4).

R6-7-405. Withdrawal of Certification for Passport Denial

- A. The Title IV-D Agency shall notify OCSE to withdraw certification for passport denial for an obligor if one or more of the following applies:
 1. The Title IV-D Agency makes a final determination during an administrative review that:
 - a. The case does not meet the criteria for passport denial in R6-7-402; or
 - b. There has been a mistake regarding the identity of the obligor;
 2. The obligor has paid the arrearage down to:
 - a. An amount less than the amount that qualifies for certification under federal statute, and has entered into a payment agreement with the Title IV-D Agency; or
 - b. Zero; or
 - c. An amount agreed to by the Title IV-D Agency, if the arrearage is owed to both the state and the obligee, provided the obligor agrees to and complies with any other terms required by the Title IV-D Agency, and the provisions of R6-7-405(B).
- B. The Title IV-D Agency shall also notify OCSE to withdraw certification for passport denial for an obligor if all of the following apply:
 1. The obligee agrees to accept partial payment of the total arrearages owed by the obligor to the obligee, even though the payment does not comply with the requirements of R6-7-405(A)(2) to pay arrearages down to zero or an amount less than that which qualifies for certification under federal statute;

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2. The obligor and obligee agree to the amount of the partial payment in writing, and the document is signed by both parties and submitted to the Title IV-D Agency;
 3. The Title IV-D Agency advises the obligee that the Title IV-D Agency may not have the opportunity to request passport denial for another 10 years;
 4. The obligee provides the Title IV-D Agency with a signed, notarized statement acknowledging receipt of the advisement in subsection (3) before the notification to OCSE to withdraw certification for passport denial;
 5. The obligor enters into a payment agreement with the Title IV-D Agency for the remainder of the arrearages owed; and
 6. The Title IV-D Agency consents to the agreement between the obligor and the obligee.
- C.** The Title IV-D Agency shall notify OCSE by facsimile, computer, or other electronic or non-electronic means to withdraw certification for passport denial, in accordance with OCSE requirements.
- D.** If an obligor fails to comply with the terms of any payment agreement with the Title IV-D Agency, and the arrearage qualifies for certification under federal statute, the Title IV-D Agency shall re-certify the obligor to OCSE for passport denial.
14. IRS tax reversals;
 15. Other fees or costs; and
 16. Futures.
- B.** Arrearage payments distributed in a Title IV-D case are applied first to the principal and then to the interest that accrued on that principal in the following order:
1. The oldest written judgment's principal and interest and then to each successive written judgment's principal and interest.
 2. Arrearages not reduced to a written judgment and the corresponding interest.
- C.** The Title IV-D Agency shall credit amounts received as support from or on behalf of the obligor as the required support obligation for the month in which they are received unless they are submitted by an employer. Payments submitted by an employer as the result of an income withholding order are considered received in the month in which the income was withheld by the employer. The date of receipt for income withholding order payments is the last day of the pay period from which the payment is withheld.
- D.** A voluntary payment received in a cash assistance case shall be retained by the Title IV-D Agency and shared with the federal government. Any monies received in excess of cash assistance owed to the state and federal government shall be paid to the obligee.

Historical Note

New Section made by final rulemaking at 11 A.A.R. 4540, effective December 17, 2005 (Supp. 05-4).

R6-7-406. Appeal from Administrative Review

A Title IV-D Agency determination made under this Article is subject to judicial review under A.R.S. Title 12, Chapter 7, Article 6 (Judicial Review of Administrative Decisions), or other applicable law.

Historical Note

New Section made by final rulemaking at 11 A.A.R. 4540, effective December 17, 2005 (Supp. 05-4).

ARTICLE 5. RESERVED**ARTICLE 6. TITLE IV-D DISTRIBUTION****R6-7-601. Distribution**

- A.** The Title IV-D Agency shall distribute monies collected in a Title IV-D case in accordance with state and federal law and the provisions of this Article in the following sequence to:
1. Current child support;
 2. Current spousal maintenance;
 3. Current cash medical support;
 4. Child support judgments for arrearage or past support, and the applicable corresponding interest;
 5. Spousal maintenance judgments for arrearage or past support and the applicable corresponding interest;
 6. Pregnancy and childbirth judgments and the corresponding interest;
 7. Cash medical support judgments and the corresponding interest;
 8. Judgments for uncovered medical costs and the corresponding interest;
 9. Child support arrearages not reduced to a written judgment and the corresponding interest;
 10. Spousal maintenance arrearages not reduced to a written judgment and the corresponding interest;
 11. Cash medical support arrearages not reduced to a written judgment, and the corresponding interest;
 12. Current month's handling fee;
 13. Handling fees owed to the Support Payment Clearinghouse;
- B.** If an obligor or payor tenders payment in a foreign currency, draft, check, or other negotiable form of payment under a U.S. support order and the equivalent value in U.S. dollars is less than the ordered amount, the difference between the ordered amount and the amount tendered constitutes an unpaid amount owed.
- C.** If an obligor or payor tenders payment in a foreign currency, draft, check, or other negotiable form of payment under a U.S. support order, and the equivalent value in U.S. dollars is more than the ordered amount, the Title IV-D Agency shall distribute the excess amount according to R6-7-601(A).
- D.** If an obligor or payor tenders payment in a foreign currency, draft, check, or other negotiable form of payment as required under a foreign support order, the Title IV-D Agency shall give the obligor credit for the amount tendered regardless of the conversion value in U.S. dollars.
- E.** The Clearinghouse shall disburse support and related payments it receives in U.S. dollars.

Historical Note

New Section made by final rulemaking at 11 A.A.R. 5201, effective November 15, 2005 (Supp. 05-4).

R6-7-603. Allocation of Monies Received from Federal Income Tax Refund Offset to Arrearages

If monies received from a federal income tax refund offset do not satisfy the total arrearages for all cases submitted by the Title IV-D Agency to OCSE for payment owed by an obligor to multiple obligees, the Title IV-D Agency shall make a proportionate allocation to each obligee whose case was submitted for federal income tax refund offset. The Title IV-D Agency shall determine the proportionate share by dividing the total arrearages owed to each obligee by the total arrearages owed by the obligor and multiplying the resulting percentage by the amount of the federal income tax refund offset.

Historical Note

New Section made by final rulemaking at 11 A.A.R. 5201, effective November 15, 2005 (Supp. 05-4).

R6-7-604. Allocation of Other Than Internal Revenue Service Payments to Multiple Obligees

- A. If the Title IV-D Agency receives a support payment not paid by an income withholding order that is undesignated as to case or obligee and it does not satisfy the total current support owed by one obligor to multiple obligees, the Title IV-D Agency shall use the following procedure to determine the amount of support allocated to each obligee:
1. Determine the total current support owed by the obligor to all obligees,
 2. Divide the current support that the obligor owes to each obligee by the total current support that the obligor owes to all obligees, and
 3. Multiply the resulting percentage by the payment.
- B. If the Title IV-D Agency receives a support payment not paid by an income withholding order that is undesignated as to case or obligee and it does not satisfy the total arrearages or past support owed by one obligor to multiple obligees, the Title IV-D Agency shall use the following procedure to determine the amount of support allocated to each obligee:
1. Determine the total arrearages owed by the obligor to all obligees,
 2. Divide the arrearages that the obligor owes to each obligee by the total arrearages that the obligor owes to all obligees, and
 3. Multiply the resulting percentage by the arrearage or past support payment.
- C. The Title IV-D Agency shall not use this procedure if:
1. The payment source is an income withholding order and the employer or payor has allocated under A.R.S. §§ 25-504 or 25-505.01;
 2. The case is governed by R6-7-715; or
 3. The support owed to an obligee was not submitted for the enforcement action that resulted in the collection.

Historical Note

New Section made by final rulemaking at 11 A.A.R. 5201, effective November 15, 2005 (Supp. 05-4).

R6-7-605. Distribution of Monies Received from Federal Income Tax Refund Offset to Arrearages

If the federal income tax refund offset received from the Internal Revenue Service on behalf of an obligor is greater than the total arrearages owed for all cases submitted for federal income tax refund offset, the Title IV-D Agency shall refund any excess monies to the obligor, unless the obligor agrees in writing that the monies may be applied to other obligations owed.

Historical Note

New Section made by final rulemaking at 11 A.A.R. 5201, effective November 15, 2005 (Supp. 05-4).

R6-7-606. Distribution of Futures

The Title IV-D Agency shall apply futures as provided in 45 CFR 302.51(b) (Office of the Federal Register, National Archives and Records Administration, October 1, 2004), which is incorporated by reference and on file with the Department. This incorporation by reference does not include any later amendments or editions. The Title IV-D Agency shall also follow the same regulation in never assistance and former assistance cases.

Historical Note

New Section made by final rulemaking at 11 A.A.R. 5201, effective November 15, 2005 (Supp. 05-4).

R6-7-607. Distribution of Prepaid Support

- A. The Title IV-D Agency shall treat payments as prepaid support only if there is no alternative that would allow for prompt payment of support owed to an obligee in a future month.
- B. The Title IV-D Agency shall release any prepaid support in the applicable future month for distribution in accordance with R6-7-601(A).

Historical Note

New Section made by final rulemaking at 11 A.A.R. 5201, effective November 15, 2005 (Supp. 05-4).

R6-7-608. Distribution in Title IV-E Cases

- A. The Department shall retain monies collected in a Title IV-E case for reimbursement of Title IV-E expenditures under A.R.S. § 8-243.02.
- B. While a case is current Title IV-E, all support collected shall be disbursed in accordance with 45 CFR 302.52 (Office of the Federal Register, National Archives and Records Administration, October 1, 2004), which is incorporated by reference and on file with the Department. This incorporation by reference does not include any later amendments or editions. If the collection is more than the current monthly support and exceeds the total Title IV-E expenditures, then the Department shall use the collection to pay any arrearages assigned to the state under A.R.S. § 46-407. If arrearages have been paid, the Department shall pay any excess in a current Title IV-E case to the Title IV-E Agency for the benefit of the Title IV-E child.
- C. When a case is former Title IV-E and former assistance with arrearages assigned to the state under A.R.S. § 46-407 and A.R.S. § 8-243.02, the Department shall first apply arrearage collections to the arrearages assigned under A.R.S. § 46-407.

Historical Note

New Section made by final rulemaking at 11 A.A.R. 5201, effective November 15, 2005 (Supp. 05-4).

R6-7-609. Distribution in Current Assistance Cases with a Child Exempt from Assignment

- A. In a current assistance case, when a child is determined to be a Child Not on Grant, the Title IV-D Agency shall distribute current support collected for a Child Not on Grant on or after the end of the month in which the current support is collected. Arrearages that accrue and are collected while the assistance unit is receiving cash assistance shall be distributed on or after the end of the month in which the arrearages are collected.
- B. If a child support order for a Child Not on Grant covers children who are not subject to A.R.S. § 46-407(B), the Title IV-D agency shall divide the ordered child support amount by the number of children in the order. The Title IV-D Agency shall distribute the prorated share of the child support collected for the benefit of the Child Not on Grant.
- C. Beginning July 1, 2003, for current child support and any child support arrearages that accrue during the period of assistance, the Title IV-D Agency shall distribute the prorated share of child support collected for the benefit of a child who is subject

to A.R.S. § 46-292(G) on or after the end of the month in which it is collected.

- D.** If a child support order for a child subject to A.R.S. § 46-292(G) also covers children who are not subject to A.R.S. § 46-292(G), the Title IV-D Agency shall divide the ordered child support amount by the number of children in the order. The Title IV-D Agency shall distribute the prorated share of the child support collected for the benefit of the child subject to A.R.S. § 46-292(G).

Historical Note

New Section made by final rulemaking at 11 A.A.R. 5201, effective November 15, 2005 (Supp. 05-4).

R6-7-610. Distribution of Cash Medical Support in Title XIX Cases

- A.** The Title IV-D Agency shall retain current cash medical support monies for a child receiving Title XIX services under A.R.S. § 46-407 where the recipient of services is an individual to whom court ordered medical support is owed.
- B.** When a child is receiving Title XIX services, the Title IV-D Agency shall disburse all current cash medical support for that child to the Title XIX Agency in accordance with 45 CFR 302.51 on or after the end of the month in which the current cash medical support is collected. The Title IV-D Agency shall distribute arrearages that accrue and are collected while the child is receiving Title XIX services on or after the end of the month in which the arrearages are collected.
- C.** When a child is no longer receiving Title XIX services, the Title IV-D Agency shall disburse current cash medical support in accordance with R6-7-701. The Title IV-D Agency shall distribute collections of cash medical support arrears that accrued while the child was receiving Title XIX services in accordance with R6-7-601 to the Title XIX Agency.
- D.** If a cash medical support order covers children who are not receiving Title XIX services and children who are receiving Title XIX services, the Title IV-D Agency shall divide the ordered cash medical support amount by the number of children in the order. The Title IV-D Agency shall distribute the prorated share of cash medical support for the benefit of the children receiving Title XIX services to the Title XIX Agency and the prorated share of cash medical support for the benefit of the children not receiving Title XIX services to the obligee.
- E.** When a case is former Title XIX and former assistance with arrearages assigned to the state under A.R.S. § 46-407, the Title IV-D Agency shall first apply arrearage collections to the child and spousal support arrearages assigned under A.R.S. § 46-407.

Historical Note

New Section made by final rulemaking at 15 A.A.R. 1250, effective September 5, 2009 (Supp. 09-3).

R6-7-611. Distribution of the Mandatory Annual Fee on and after October 1, 2007

- A.** The Title IV-D Agency shall charge a \$25.00 annual fee to a recipient of services who has never received assistance under a state or tribal Title IV-A program for each Title IV-D case. The Title IV-D Agency shall retain the \$25.00 fee from collections of support that exceed \$500.00 within a federal fiscal year for each Title IV-D case.
- B.** After the first \$500.00 of support collections in a federal fiscal year, the Title IV-D Agency shall retain the fee from future collections and pay the mandatory fee before distributing collections pursuant to R6-7-601.
- C.** If, after the \$500.00 collection threshold has been met, no further collections are received, or less than \$25.00 is collected within that year, the Title IV-D Agency shall charge the bal-

ance of the fee to the recipient of services after notice of a deadline for payment of the fee. If the recipient does not pay the fee by the deadline, the Title IV-D Agency shall retain the fee from future collections of support in subsequent federal fiscal years.

- D.** If a foreign country has requested enforcement of a support order in a Title IV-D case, the annual fee of \$25.00, owed pursuant to R6-7-611(A), shall be charged to the obligor.

Historical Note

New Section made by final rulemaking at 15 A.A.R. 1250, effective September 5, 2009 (Supp. 09-3).

ARTICLE 7. TITLE IV-D DISBURSEMENT

R6-7-701. Disbursement

- A.** The Title IV-D Agency shall disburse support and related payments that the Title IV-D Agency receives in a Title IV-D case to one or more of the following recipients:
1. An obligee or an agent authorized in writing by an obligee or as determined by law;
 2. A Title IV-D agency of another state if the agency submits a request for support establishment or enforcement services and is authorized to receive support under U.I.F.S.A.;
 3. The federal government, if Arizona is providing or has provided cash assistance to the assistance unit, or a member of the assistance unit, or if Arizona is providing or has provided Title IV-E foster care maintenance payments, or if the annual \$25.00 fee is owed, pursuant to R6-7-611;
 4. A state, if the state is providing or has provided cash assistance to the assistance unit that does not exceed the total amount of unreimbursed cash assistance;
 5. An obligor, if a refund is due;
 6. A bankruptcy trustee;
 7. A state or federal agency as authorized by law;
 8. A caretaker under Arizona statute and R6-7-712.
- B.** The Title IV-D Agency shall issue payments due to an obligee at the last known address filed with the Child Support Case Registry or the last address known to F.A.A.
- C.** If a payment to an obligee is returned to the Title IV-D Agency because it was undeliverable, the Title IV-D Agency shall make a reasonable effort to locate the obligee for the period authorized in A.R.S. § 25-503.
- D.** If the Title IV-D Agency is unable to locate the obligee by the end of the period authorized in A.R.S. § 25-503, the Title IV-D Agency shall contact the obligor to request oral or written approval to apply the funds to arrearages and any other unpaid obligations owed to the state. If the Title IV-D Agency is unable after a reasonable effort to locate the obligee or obligor, and an arrearage is still owed to the state, the Title IV-D Agency shall apply the payments to the arrearage. Any remaining amounts shall be handled consistent with applicable law.
- E.** If an obligee requests that the Title IV-D Agency directly deposit support in a financial institution and the financial institution returns those monies because the obligee's account is closed, or the financial institution will not accept the deposit, the Title IV-D Agency shall make a reasonable effort to locate the obligee for the period authorized in A.R.S. § 25-503, after receiving notice that the account is closed or that the financial institution will not accept the deposit.
- F.** Neither the return of monies to an obligor due to an inability to locate the obligee, nor the application of monies to arrearages or other support-related debts terminates an obligor's obligation ordered by a court or administrative entity.
- G.** The Title IV-D Agency shall disburse support that the Title IV-D Agency receives for a current assistance case within two

business days of the last day of the month in which the Clearinghouse receives the payment.

- H.** Except as provided in subsections (G), (I), (J), (K), (L), and (M), the Title IV-D Agency shall disburse support within two business days of receipt by the Clearinghouse unless the Clearinghouse is unable to disburse the support for one or more of the following reasons:
1. The Title IV-D Agency does not have the obligee's current address;
 2. The Title IV-D Agency or its payment posting contractor lacks sufficient information to identify the case to which the payment must be applied;
 3. An action is pending before the Title IV-D Agency to determine whether:
 - a. An administrative income withholding order is enforceable under A.R.S. § 25-505.01, or
 - b. A limited income withholding order is enforceable under A.R.S. § 25-505;
 4. The payment is for futures that federal law requires the Title IV-D Agency to hold for disbursement in a future month, or for prepaid support;
 5. A court or administrative order, bankruptcy stay, or state or federal law requires the Title IV-D Agency to retain support or to use a different disbursement method or time-frame;
 6. The Title IV-D Agency lacks information regarding a support order, an agreement, or any other obligation owed to the Department;
 7. Support is returned to the Title IV-D Agency or the Clearinghouse due to the obligee's incarceration or because the obligee or only child still covered by the order is deceased;
 8. A check received from an obligor or other payor has previously been dishonored, precluding the acceptance of a personal check under A.R.S. § 25-503; or
 9. Other circumstances exist that prevent proper and timely disbursement of support through no fault or lack of diligence on the part of the Title IV-D Agency.
- I.** If a federal income tax refund offset is based on a joint federal income tax return, the Title IV-D Agency shall retain the offset for 180 days after receipt of the refund monies unless the Internal Revenue Service notifies the Title IV-D Agency of the resolution of an injured spouse claim, or until the spouse signs a waiver of any right to claim a portion of the refund. The Title IV-D Agency shall distribute and disburse a federal income tax refund offset that is based on a joint tax return in accordance with R6-7-709, R6-7-710 and R6-7-711. The offset collections do not accrue interest and the Title IV-D Agency shall not pay interest on these monies.
- J.** *If a [state income] tax refund is based on a joint income tax return and the department of economic security receives a written claim from the nonobligated spouse within forty-five days after the notice of a setoff for overdue child support, the setoff only applies to that portion of the refund due to the obligor. The nonobligated spouse shall provide to the department of economic security copies of both the obligated and nonobligated spouse's federal W-2 forms and evidence of estimated tax payments supporting the proportionate share of each spouse's payment of tax. The department of economic security shall retain the amount of the set off refund due to the obligated spouse determined by a proration based on the tax payments of each spouse by estimated tax payment or tax withheld from wages. A.R.S. § 42-1122(S).*
- K.** The Title IV-D Agency shall distribute and disburse an Arizona income tax refund setoff that is based on a joint income tax return in accordance with R6-7-601. The Title IV-D

Agency shall not pay interest on these monies except as provided in A.R.S. §§ 42-1122 and 42-1123.

- L.** The Title IV-D Agency shall retain a state lottery prize that has been set off under A.R.S. § 5-525 for 30 days after the date on the notice of setoff and right to appeal as prescribed in A.R.S. § 5-525. The Title IV-D Agency shall not pay interest on these monies except as provided in A.R.S. § 5-525.
- M.** In addition to the reasons for retaining support already stated in this rule, the Title IV-D Agency may retain support for more than two business days if:
1. The amount received exceeds the amount due or owing, but is neither futures nor prepaid support;
 2. The obligee's and obligor's financial accounts maintained by the Title IV-D Agency are out of balance;
 3. An obligor has multiple cases and, in at least one case, has no known obligation to support a child, or a child covered by the support order is receiving Social Security benefits and A.R.S. § 46-407 applies;
 4. A personal or business check received for support in one case exceeds \$2,500 and there is no history of checks that exceed \$2,500 clearing in that case. In no event shall the Title IV-D Agency retain these monies for more than 10 business days;
 5. The Title IV-D Agency has received a notice of a stop payment order on a payment; or
 6. The amount to be disbursed in a check is less than \$3.00. When the amount held reaches \$3.00 or more, the Title IV-D Agency shall disburse the amount.
- N.** If a support payment received by the Title IV-D Agency exceeds the amount due or owing and is neither futures nor prepaid support, the Title IV-D Agency shall refund the excess to the obligor at the last known address provided to the Child Support Case Registry.
- O.** If an obligee cannot be located before a case is closed, the Title IV-D Agency shall send any undisbursed amounts owed to the obligee back to the obligor.

Historical Note

New Section made by final rulemaking at 11 A.A.R.

5201, effective November 15, 2005 (Supp. 05-4).

Amended by final rulemaking at 15 A.A.R. 1250, effective September 5, 2009 (Supp. 09-3).

R6-7-702. Disbursement in Never Assistance Cases through December 31, 2002

Except as provided in R6-7-710 and R6-7-711 for federal income tax refund offsets, the Title IV-D Agency shall disburse support and related payments collected for an Arizona never assistance case to a recipient of services under Title IV-D or Title XIX of the Social Security Act as follows:

1. First, to current support;
2. Second, to the handling fee for the month in which the Title IV-D Agency receives the support;
3. Third, to never assigned arrearages;
4. Fourth, to fees and costs and unpaid handling fees;
5. Fifth, to futures.

Historical Note

New Section made by final rulemaking at 11 A.A.R.

5201, effective November 15, 2005 (Supp. 05-4).

R6-7-703. Disbursement in Never Assistance Cases on and after January 1, 2003

Except as provided in R6-7-710 and R6-7-711 for federal income tax refund offsets, and R6-7-611 for the mandatory annual fee effective on and after October 1, 2009, the Title IV-D Agency shall disburse support and related payments collected for an Arizona

never assistance case to a recipient of services under Title IV-D or Title XIX of the Social Security Act as follows:

1. First, to current support;
2. Second, to never assigned arrearages;
3. Third, to the handling fee for the month in which the Title IV-D Agency receives the support and unpaid handling fees;
4. Fourth, to fees and costs;
5. Fifth, to futures.

Historical Note

New Section made by final rulemaking at 11 A.A.R.

5201, effective November 15, 2005 (Supp. 05-4).

Amended by final rulemaking at 15 A.A.R. 1250, effective September 5, 2009 (Supp. 09-3). Historical note year corrected from 2010 to 2009 for amendment in Supp. 09-3 (Supp. 14-3).

R6-7-704. Disbursement in Current Assistance Cases through December 31, 2002

Except as provided in R6-7-710 and R6-7-711 for federal income tax refund offsets, the Title IV-D Agency shall disburse support and related payments collected for an Arizona Title IV-D current assistance case as follows:

1. First to current support assigned to the state of Arizona, not to exceed the total amount of unreimbursed cash assistance;
2. Second, to the handling fee for the month in which the Title IV-D Agency receives the support;
3. Third, to temporarily assigned arrearages;
4. Fourth, to permanently assigned arrearages;
5. Fifth, to unassigned arrearages;
6. Sixth, to fees and costs;
7. Seventh, to futures.

Historical Note

New Section made by final rulemaking at 11 A.A.R.

5201, effective November 15, 2005 (Supp. 05-4).

R6-7-705. Disbursement in Current Assistance Cases on and after January 1, 2003

A. For all recipients who applied for current assistance prior to October 1, 2009 and therefore assigned their rights to support to the state, the Title IV-D Agency shall disburse support and related payments, except as provided in R6-7-710 and R6-7-711 for federal income tax refund offsets, collected for an Arizona Title IV-D current assistance case as follows:

1. First, to current support assigned to the state of Arizona, not to exceed the total amount of unreimbursed cash assistance;
2. Second, to temporarily assigned arrearages;
3. Third, to permanently assigned arrearages;
4. Fourth, to unassigned arrearages;
5. Fifth, to the handling fee for the month in which the Title IV-D Agency receives the support and other unpaid handling fees;
6. Sixth, to fees and costs;
7. Seventh, to futures.

B. For all recipients who applied for current assistance on and after October 1, 2009, the Title IV-D Agency shall disburse support and related payments, except as provided in R6-7-710 and R6-7-711 for federal income tax refund offsets, collected for an Arizona Title IV-D current assistance case as follows:

1. First, to current support assigned to the state of Arizona, not to exceed the total amount of unreimbursed cash assistance;
2. Second, to temporarily assigned arrearages which were assigned prior to October 1, 2009;

3. Third, to permanently assigned arrearages;
4. Fourth, to never assigned arrearages;
5. Fifth, to conditionally assigned arrearages based on assignments entered prior to October 1, 2009;
6. Sixth, to unassigned pre-assistance arrearages;
7. Seventh, to unassigned during-assistance arrearages;
8. Eighth, to the handling fee for the month in which the Title IV-D Agency receives the support and other unpaid handling fees;
9. Ninth, to fees and costs;
10. Tenth, to futures.

Historical Note

New Section made by final rulemaking at 11 A.A.R.

5201, effective November 15, 2005 (Supp. 05-4).

Amended by final rulemaking at 15 A.A.R. 1250, effective September 5, 2009 (Supp. 09-3). Historical note year corrected from 2010 to 2009 for amendment in Supp. 09-3 (Supp. 14-3).

R6-7-706. Disbursement in Current Assistance Cases with a Child Exempt from Assignment

A. The Title IV-D Agency shall disburse the prorated share of support received for a Child Not on Grant to the obligee after the end of the month in which it is received.

B. If the Title IV-D Agency determines that a child is a Child Not on Grant, the unpaid share of support accrues as never assigned arrearages.

C. If a Child Not on Grant is no longer subject to A.R.S. § 46-407(B), and instead is subject to the remaining provisions of A.R.S. §§ 46-407 and 46-408, all previously unpaid arrearages are assigned to the state.

D. While an assistance unit is receiving cash assistance, the Title IV-D Agency shall disburse the prorated share of support received for a child subject to the provisions of A.R.S. § 46-292(G) to the obligee after the end of the month of current assistance.

E. If the Title IV-D Agency determines that a child in an assistance unit is subject to the provisions of A.R.S. § 46-292(G), the unpaid prorated share of support accrues as never assigned arrearages.

Historical Note

New Section made by final rulemaking at 11 A.A.R.

5201, effective November 15, 2005 (Supp. 05-4).

R6-7-707. Disbursement Under Federal Law from October 1, 1997 through September 30, 2000 for Former Assistance Cases

Except as provided in R6-7-710 and R6-7-711 for federal income tax refund offsets, the Title IV-D Agency shall disburse support and related payments for a former cash assistance case as follows:

1. First, to current support;
2. Second, to the handling fee for the month in which the Title IV-D Agency receives the support;
3. Third, to never assigned arrearages;
4. Fourth, to temporarily assigned arrearages;
5. Fifth, to the permanently assigned arrearages;
6. Sixth, to unassigned arrearages;
7. Seventh, to unpaid handling fees;
8. Eighth, to fees and costs;
9. Ninth, to futures as provided in R6-7-606.

Historical Note

New Section made by final rulemaking at 11 A.A.R.

5201, effective November 15, 2005 (Supp. 05-4).

R6-7-708. Disbursement Under Federal Law from October 1, 2000 through December 31, 2002 for Former Assistance Cases

Except as provided in R6-7-710 and R6-7-711 for federal income tax refund offsets, the Title IV-D Agency shall disburse support and related payments for a former cash assistance case as follows:

1. First, to current support;
2. Second, to the handling fee for the month in which the Title IV-D Agency receives the support;
3. Third, to never assigned arrearages;
4. Fourth, to unassigned pre-assistance arrearages;
5. Fifth, to conditionally assigned arrearages;
6. Sixth, to permanently assigned arrearages;
7. Seventh, to unassigned during-assistance arrearages;
8. Eighth, to fees and costs;
9. Ninth, to futures.

Historical Note

New Section made by final rulemaking at 11 A.A.R. 5201, effective November 15, 2005 (Supp. 05-4).

R6-7-709. Disbursement Under Federal Law on and after January 1, 2003 for Former Assistance Cases

Except as provided in R6-7-710 and R6-7-711 for federal income tax refund offsets, the Title IV-D Agency shall disburse support and related payments collected for a former assistance case, as follows:

1. First, to current support;
2. Second, to never assigned arrearages;
3. Third, to unassigned pre-assistance arrearages;
4. Fourth, to conditionally assigned arrearages;
5. Fifth, to permanently assigned arrearages;
6. Sixth, to unassigned during-assistance arrearages;
7. Seventh, to the handling fee for the month in which the Title IV-D Agency receives the support and other unpaid handling fees;
8. Eighth, to fees and costs;
9. Ninth, to futures.

Historical Note

New Section made by final rulemaking at 11 A.A.R. 5201, effective November 15, 2005 (Supp. 05-4).

R6-7-710. Disbursement of Federal Income Tax Refund Offsets Under Federal Law from October 1, 1997 through September 30, 2000

The Title IV-D Agency shall disburse support collected through federal income tax refund offset in accordance with 26 U.S.C. 6402 and 42 U.S.C. 664, as follows:

1. First, to temporarily assigned arrearages;
2. Second, to permanently assigned arrearages; and
3. Third, to never assigned and unassigned arrearages.

Historical Note

New Section made by final rulemaking at 11 A.A.R. 5201, effective November 15, 2005 (Supp. 05-4).

R6-7-711. Disbursement of Federal Income Tax Refund Offsets Under Federal Law on and after October 1, 2000

A. The Title IV-D Agency shall disburse arrearages collected through federal income tax refund offset in accordance with 26 U.S.C. 6402 and 42 U.S.C. 664, as follows:

1. First, to temporarily or conditionally assigned arrearages owed to the state of Arizona;
2. Second, to permanently assigned arrearages; and
3. Third, to never assigned and unassigned arrearages.

B. The Title IV-D Agency shall retain conditionally assigned arrearages collected through the federal income tax refund offset to reimburse the state and federal governments for unreimbursed cash assistance paid to the assistance unit. The Title IV-

D Agency shall pay conditionally assigned arrearages, collected from any source other than a federal income tax refund offset, to the obligee.

Historical Note

New Section made by final rulemaking at 11 A.A.R. 5201, effective November 15, 2005 (Supp. 05-4).

R6-7-712. Caretaker Disbursement

If an obligee with a child support case becomes the caretaker of a child who is not the obligee's child, the Title IV-D Agency shall disburse support and related payments owed to the obligee in accordance with R6-7-703, R6-7-704, R6-7-707, and R6-7-708, as applicable. The support and related payments for the assistance unit shall be disbursed in accordance with R6-7-705.

Historical Note

New Section made by final rulemaking at 11 A.A.R. 5201, effective November 15, 2005 (Supp. 05-4).

R6-7-713. Past Support Judgments

If a court or an administrative entity orders past support that covers a period in which the obligee was on cash assistance, the amount for that period is assigned to the state and the Title IV-D Agency shall distribute collections in accordance with A.R.S. § 46-408 and disburse support in accordance with this Article. If a child covered by the order was receiving Title IV-E foster care maintenance payments for any of the period covered by the judgment, the amount for that period is assigned to the state and collections shall be distributed in accordance with R6-7-608. A past support judgment ordered on and after September 26, 2008 does not accrue interest.

Historical Note

New Section made by final rulemaking at 11 A.A.R. 5201, effective November 15, 2005 (Supp. 05-4).

Amended by final rulemaking at 15 A.A.R. 1250, effective September 5, 2009 (Supp. 09-3). Historical note year corrected from 2010 to 2009 for amendment in Supp. 09-3 (Supp. 14-3).

R6-7-714. Interest on Arrearages

- A.** The Title IV-D Agency shall retain interest paid on arrearages assigned to the state of Arizona that do not exceed the total amount of unreimbursed cash assistance.
- B.** From October 1, 1997 through September 31, 2000, the Title IV-D Agency shall allocate the amount of interest on permanently assigned, temporarily assigned, never assigned, and unassigned arrearages based on a proportionate share of the total amount of arrearages owed. The Title IV-D Agency shall determine the percentage allocated to each arrearage type by dividing each arrearage type by the total arrearages and multiplying the resulting percentages by the total amount of interest accrued.
- C.** On and after October 1, 2000, the Title IV-D Agency shall allocate the amount of interest on permanently assigned, temporarily assigned, conditionally assigned, never assigned, and unassigned arrearages based on a proportionate share of the total amount of arrearages owed. The Title IV-D Agency shall determine the percentage allocated to each arrearage type by dividing each arrearage type by the total arrearages and multiplying the resulting percentages by the total amount of interest accrued.

Historical Note

New Section made by final rulemaking at 11 A.A.R. 5201, effective November 15, 2005 (Supp. 05-4).

R6-7-715. Unassigned Arrearages

- A.** If a family stops receiving cash assistance, the Title IV-D Agency shall compare unreimbursed cash assistance and

assigned arrearages as of the last day of the month when the family leaves assistance. If the total amount of assigned arrearages and accrued interest exceeds unreimbursed cash assistance, the Title IV-D Agency shall unassign the excess amount. These amounts are unassigned arrearages. The Title IV-D Agency shall unassign arrearages as follows:

1. First, from the interest owed on temporarily assigned arrearages;
 2. Second, from the corresponding principal of the temporarily assigned arrearages;
 3. Third, from the interest owed on permanently assigned arrearages; and
 4. Fourth, from the corresponding principal on the permanently assigned arrearages.
- B.** On and after October 1, 2000, if the Title IV-D Agency unassigns arrearages from temporarily assigned amounts, these amounts are unassigned pre-assistance arrearages. The Title IV-D Agency shall first unassign the interest on arrearages and second unassign the corresponding principal on arrearages.
- C.** On and after October 1, 2000, if the Title IV-D Agency unassigns arrearages from permanently assigned amounts, these amounts are unassigned during-assistance arrearages. The Title IV-D Agency shall first unassign the interest on arrearages and second unassign the corresponding principal on arrearages.
- D.** For arrearages assigned before the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, the federal government did not require states to track periods of assignment. If the Title IV-D Agency cannot determine whether the unassigned arrearages were from a pre-assistance period or a during-assistance period, the Title IV-D Agency shall treat those unassigned arrearages as unassigned pre-assistance arrearages.

Historical Note

New Section made by final rulemaking at 11 A.A.R. 5201, effective November 15, 2005 (Supp. 05-4).

R6-7-716. Interstate Collections in UIFSA Cases

If Arizona is the responding state, the Title IV-D Agency shall send payments received to the initiating or issuing state pursuant to A.R.S. § 25-1259.

Historical Note

New Section made by final rulemaking at 11 A.A.R. 5201, effective November 15, 2005 (Supp. 05-4).

ARTICLE 8. ADMINISTRATIVE REVIEW

Article 8, consisting of R6-7-801, made by final rulemaking at 10 A.A.C. 1973, effective April 23, 2004 (Supp. 04-2).

R6-7-801. Oblige Request for Administrative Review of Distribution or Disbursement of Support or Related Payments

- A.** An obligee requesting an administrative review under A.R.S. § 46-408 shall submit a written request with the information listed in subsections (A)(1) and (2) to the address specified in the notice of collections:
1. The residential and mailing address of the obligee, and
 2. The reasons why the obligee disputes the distribution or disbursement.
- B.** An obligee shall include with the request for administrative review any information available to support the request. This may include such documents as:
1. Any support orders issued,
 2. Any notices sent by the Title IV-D Agency,
 3. Any proof of payments made,
 4. A copy of the obligee's notice of collections sent by the Title IV-D agency, and
 5. Any other information the obligee believes to be relevant.
- C.** An obligee may submit a written request by first-class mail, facsimile, or in person.
- D.** The Title IV-D Agency shall send a written request for additional information within 10 business days after receipt of the request for administrative review to the obligee if the agency requires the information to make its determination. The obligee shall provide the information requested within 30 business days of the date of the request.
- E.** An obligee may appeal a determination of the Title IV-D Agency regarding the distribution or disbursement of support or related payments under A.R.S. § 25-522. To make an appeal, an obligee shall file a written request with the Department's Office of Appeals under A.R.S. Title 41, Chapter 14, Article 3 within 30 business days from the date of the written determination. An appeal from the Office of Appeals' written determination may be made to the Appeals Board under A.R.S. § 41-1992. An appeal from the Appeals Board may be made to the Court of Appeals under A.R.S. § 41-1993.

Historical Note

New Section made by final rulemaking at 10 A.A.R. 1973, effective April 23, 2004 (Supp. 04-2).