



STATE OF ARIZONA
OFFICE OF THE GOVERNOR

DOUGLAS A. DUCEY
GOVERNOR

EXECUTIVE OFFICE

June 5, 2020

The Honorable Katie Hobbs
Secretary of State
1700 W. Washington, 7th Floor
Phoenix, AZ 85007

Dear Secretary Hobbs:

I am transmitting to you the following bills from the Fifty-fourth Legislature, 2nd Regular Session, which I signed on June 5th, 2020:

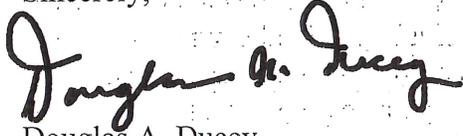
- S.B. 1012 executive session; school safety plans (Borrelli)
- S.B. 1021 department of revenue; electronic signatures (Ugenti-Rita)
- S.B. 1040 insurers; notices; methods of delivery (Livingston)
- S.B. 1041 travel insurance (Livingston)
- S.B. 1042 executive sessions; security plans (Borrelli)
- S.B. 1061 schools; parental rights; posting (Allen, S.)
- S.B. 1062 insurance transactions; discrimination; exceptions (Livingston)
- S.B. 1083 agriculture department; livestock loss board (Allen, S.)
- S.B. 1090 insurance adjusters; claims certificate (Livingston)
- S.B. 1091 insurance producer licensing; surrender; application (Livingston)
- S.B. 1096 property management records; residential rentals (Pace)
- S.B. 1099 tax deed land sales; proceeds (Mesnard)
- S.B. 1121 model city tax code; procedures (Leach)
- S.B. 1131 certified public accountants (Gray)
- S.B. 1210 assisted living; caregivers; training (Pace)
- S.B. 1236 adult adoption; stepchildren (Gowan)
- S.B. 1274 professional regulatory boards; composition (Ugenti-Rita)
- S.B. 1292 financial literacy; state treasurer; fund (Allen, S.)
- S.B. 1303 annexation of territory; requirements (Pratt)
- S.B. 1305 personal delivery devices (Livingston)
- S.B. 1354 public retirement systems; prefunding plan (Livingston)
- S.B. 1397 insurance; preexisting condition exclusions; prohibition (Mesnard)
- S.B. 1441 protection orders; modification; residence possession (Farnsworth, E.)
- S.B. 1445 suicide prevention training; school employees (Bowie)
- S.B. 1446 student identification cards; suicide prevention (Bowie)
- S.B. 1460 electric cooperatives; broadband service (Borrelli)
- S.B. 1492 Arizona teachers academy; program pathways (Boyer)

1700 WEST WASHINGTON STREET, PHOENIX, ARIZONA 85007

602-542-4331 • www.azgovernor.gov

S.B. 1504 fingerprinting; vital records; child care (Brophy-McGee)
S.B. 1510 public contracts; payment methods (Livingston)
S.B. 1528 family college savings program; treasurer (Leach)
S.B. 1555 support order; dishonored payment; lien (Farnsworth, E.)
S.B. 1557 annuity transactions; requirements (Livingston)

Sincerely,

A handwritten signature in black ink, reading "Douglas A. Ducey". The signature is written in a cursive, flowing style with a large initial "D".

Douglas A. Ducey
Governor
State of Arizona

cc: Senate Secretary
Chief Clerk of the House of Representatives
Arizona News Service

Senate Engrossed
FILED
KATIE HOBBS
SECRETARY OF STATE

State of Arizona
Senate
Fifty-fourth Legislature
Second Regular Session
2020

CHAPTER 89
SENATE BILL 1555

AN ACT

AMENDING SECTIONS 25-503, 25-516 AND 25-522, ARIZONA REVISED STATUTES;
RELATING TO FAMILY SUPPORT DUTIES.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 25-503, Arizona Revised Statutes, is amended to
3 read:

4 25-503. Order for support; methods of payment; modification;
5 termination; statute of limitations; judgment on
6 arrearages; notice; security

7 A. In any proceeding in which there is at issue the support of a
8 child, the court may order either or both parents to pay any amount
9 necessary for the support of the child. If the court order does not
10 specify the date when current support begins, the support obligation
11 begins to accrue on the first day of the month following the entry of the
12 order. If ~~a personal check for support payments and handling fees~~ ANY
13 FORM OF PAYMENT is rightfully dishonored by the payor bank or other
14 drawee, any subsequent support payments and handling fees shall be paid
15 only by cash, money order, cashier's check, traveler's check or certified
16 check. The department may collect from the drawer of a dishonored ~~check~~
17 ~~or draft~~ PAYMENT an amount allowed pursuant to section 44-6852. Pursuant
18 to sections 35-146 and 35-147, the department shall deposit monies
19 collected pursuant to this subsection in a child support enforcement
20 administration fund. If a party required to pay support ~~other than by~~
21 ~~personal check~~ BY GUARANTEED MEANS demonstrates full and timely payment
22 for twenty-four consecutive months, that party may pay support by ~~personal~~
23 ~~check~~ REGULARLY ACCEPTED FORMS OF PAYMENT if these payments are for the
24 full amount, are timely tendered and are not rightfully dishonored by the
25 payor bank or other drawee. On a showing of good cause, the court may
26 order that the party or parties required to pay support give reasonable
27 security for these payments. If the court sets an appearance bond and the
28 obligor fails to appear, the bond is forfeited and credited against any
29 support owed by the party required to pay support. This subsection does
30 not apply to payments that are made by means of a wage assignment.

31 B. On a showing that an income withholding order has been
32 ineffective to secure the timely payment of support and that an amount
33 equal to six months of current support has accrued, the court shall
34 require the obligor to give security, post bond or give some other
35 guarantee to secure overdue support.

36 C. In title IV-D cases, and in all other cases subject to an income
37 withholding order issued on or after January 1, 1994, after notice to the
38 party entitled to receive support, the department or its agent may direct
39 the party obligated to pay support or other payor to make payment to the
40 support payment clearinghouse. The department or its agent shall provide
41 notice by first class mail.

42 D. The obligation for current child support shall be fully met
43 before any payments under an order of assignment may be applied to the
44 payment of arrearages. If a party is obligated to pay support for more
45 than one family and the amount available is not sufficient to meet the

1 total combined current support obligation, any monies shall be allocated
2 to each family as follows:

3 1. The amount of current support ordered in each case shall be
4 added to obtain the total support obligation.

5 2. The ordered amount in each case shall be divided by the total
6 support obligation to obtain a percentage of the total amount due.

7 3. The amount available from the obligor's income shall be
8 multiplied by the percentage under paragraph 2 of this subsection to
9 obtain the amount to be allocated to each family.

10 E. Any order for child support may be modified or terminated on a
11 showing of changed circumstance that is substantial and continuing, except
12 as to any amount that may have accrued as an arrearage before the date of
13 notice of the motion or order to show cause to modify or terminate. The
14 addition of health insurance coverage as defined in section 25-531 or a
15 change in the availability of health insurance coverage may constitute a
16 continuing and substantial change in circumstance. Modification and
17 termination are effective on the first day of the month following notice
18 of the petition for modification or termination unless the court, for good
19 cause shown, orders the change to become effective at a different date but
20 not earlier than the date of filing the petition for modification or
21 termination. The order of modification or termination may include an
22 award of attorney fees and court costs to the prevailing party.

23 F. On petition of a person who has been ordered to pay child
24 support pursuant to a presumption of paternity established pursuant to
25 section 25-814, the court may order the petitioner's support to terminate
26 if the court finds based on clear and convincing evidence that paternity
27 was established by fraud, duress or material mistake of fact. Except for
28 good cause shown, the petitioner's support obligations continue in effect
29 until the court has ruled in favor of the petitioner. The court shall
30 order the petitioner, each child who is the subject of the petition and
31 the child's mother to submit to genetic testing and shall order the
32 appropriate testing procedures to determine the child's inherited
33 characteristics, including blood and tissue type. If the court finds that
34 the petitioner is not the child's biological father, the court shall
35 vacate the determination of paternity and terminate the support
36 obligation. Unless otherwise ordered by the court, an order vacating a
37 support obligation is prospective and does not alter the petitioner's
38 obligation to pay child support arrearages or any other amount previously
39 ordered by the court. If the court finds that it is in the child's best
40 interests, the court may order the biological father to pay restitution to
41 the petitioner for any child support paid before the court ruled in favor
42 of the petitioner pursuant to this subsection.

43 G. Notwithstanding subsection E of this section, in a title IV-D
44 case a party, or the department or its agent if there is an assignment of
45 rights under section 46-407, may request every three years that an order

1 for child support be reviewed and, if appropriate, adjusted. The request
2 may be made without a specific showing of a changed circumstance that is
3 substantial and continuing. The department or its agent shall conduct the
4 review in accordance with the child support guidelines of this state. If
5 appropriate, the department shall file a petition in the superior court to
6 adjust the support amount. Every three years the department or its agent
7 shall notify the parties of their right to request a review of the order
8 for support. The department or its agent shall notify the parties by
9 first class mail at their last known address or by including the notice in
10 an order.

11 H. If a party in a title IV-D case requests a review and adjustment
12 sooner than three years, the party shall demonstrate a changed
13 circumstance that is substantial and continuing.

14 I. The right of a party entitled to receive support or the
15 department to receive child support payments as provided in the court
16 order vests as each installment falls due. Each vested child support
17 installment is enforceable as a final judgment by operation of law. The
18 department or its agent or a party entitled to receive support may also
19 file a request for written judgment for support arrearages.

20 J. Voluntary relinquishment of physical custody of a child to the
21 obligor from the obligee is an affirmative defense in whole or in part to
22 a petition for enforcement of child support arrears. In determining
23 whether the relinquishment was voluntary, the court shall consider whether
24 there is any evidence or history of any of the following:

- 25 1. Domestic violence.
- 26 2. Parental kidnapping.
- 27 3. Custodial interference.

28 K. The relinquishment pursuant to subsection J of this section must
29 have been for a time period in excess of any court-ordered period of
30 parenting time and the obligor must have supplied actual support for the
31 child.

32 L. If the obligee, the department or their agents make efforts to
33 collect a child support debt more than ten years after the emancipation of
34 the youngest child subject to the order, the obligor may assert as a
35 defense, and has the burden to prove, that the obligee or the department
36 unreasonably delayed in attempting to collect the child support debt. On
37 a finding of unreasonable delay a tribunal, as defined in section 25-1202,
38 may determine that some or all of the child support debt is no longer
39 collectible after the date of the finding.

40 M. Notwithstanding any other law, any judgment for support and for
41 associated costs and attorney fees is exempt from renewal and is
42 enforceable until paid in full.

43 N. If a party entitled to receive child support or spousal
44 maintenance or the department or its agent enforcing an order of support
45 has not received ~~court ordered~~ COURT-ORDERED payments, the party entitled

1 to receive support or spousal maintenance or the department or its agent
2 may file with the clerk of the superior court a request for judgment of
3 arrearages and an affidavit indicating the name of the party obligated to
4 pay support and the amount of the arrearages. The request must include
5 notice of the requirements of this section and the right to request a
6 hearing within twenty days after service in this state or within thirty
7 days after service outside this state. The request, affidavit and notice
8 must be served pursuant to the Arizona rules of family law procedure on
9 all parties including the department or its agents in title IV-D cases.
10 In a title IV-D case, the department or its agent may serve all parties by
11 certified mail, return receipt requested. Within twenty days after
12 service in this state or within thirty days after service outside this
13 state, a party may file a request for a hearing if the arrearage amount or
14 the identity of the person is in dispute. If a hearing is not requested
15 within the time provided, or if the court finds that the objection is
16 unfounded, the court must review the affidavit and grant an appropriate
17 judgment against the party obligated to pay support.

18 O. If after reasonable efforts to locate the obligee the clerk or
19 support payment clearinghouse is unable to deliver payments for a period
20 of one hundred twenty days after the date the first payment is returned as
21 undeliverable due to the failure of a party to whom the support has been
22 ordered to be paid to notify the clerk or support payment clearinghouse of
23 a change in address, the clerk or support payment clearinghouse shall
24 return that and all other unassigned payments to the obligor unless there
25 is an agreement of the obligor to pay assigned arrears and other debts
26 owed to the state.

27 P. If the obligee of a child support order marries the obligor of
28 the child support order, that order automatically terminates on the last
29 day of the month in which the marriage takes place and arrearages do not
30 accrue after that date. However, the obligee or the state may collect
31 child support arrearages that accrued before that date. The obligee, the
32 obligor or the department or its agent in a title IV-D case may file a
33 request or stipulation to terminate or adjust any existing order of
34 assignment pursuant to section 25-504 or 25-505.01.

35 Q. For the purposes of this chapter, a child is emancipated:

- 36 1. On the date of the child's marriage.
- 37 2. On the child's eighteenth birthday.
- 38 3. When the child is adopted.
- 39 4. When the child dies.

40 5. On the termination of the support obligation if support is
41 extended beyond the age of majority pursuant to section 25-501, subsection
42 A or section 25-320, subsections E and F.

1 Sec. 2. Section 25-516, Arizona Revised Statutes, is amended to
2 read:

3 25-516. Lien; priority; recording; information statement;
4 payoff amount; release

5 A. Notwithstanding section 25-514, in a title IV-D case ~~if a person~~
6 ~~obligated to pay child support is in arrears for an amount equal to at~~
7 ~~least two months' child support, the unpaid amounts constitute~~ AN ORDER TO
8 PAY CHILD SUPPORT CREATES a lien by operation of law on all property
9 presently owned and later acquired by the obligor TO SECURE PAYMENT OF THE
10 OBLIGATION. The department may perfect a lien by filing a ~~notice of lien~~
11 COPY OF THE CHILD SUPPORT ORDER with the county recorder in the county in
12 which the obligor has property or with a state agency or a political
13 subdivision of this state that files personal property liens for recording
14 on its official record. ~~The notice of lien recorded under this section~~
15 ~~shall specify the nature of the debt, the amount, and the name and last~~
16 ~~known address of the obligor.~~ A liquidated judgment is not required to
17 establish a lien. Recordation is constructive notice of the lien to the
18 creditors of the owner or subsequent purchasers, against the personal or
19 real property presently owned or later acquired. THE LIEN AMOUNT INCLUDES
20 THE AMOUNT OWED AT THE TIME OF RECORDING AND ANY AMOUNTS SUBSEQUENTLY
21 ACCRUED. The lien has priority over other liens against this property
22 except for liens arising from mortgages, deeds of trust, contracts,
23 conveyances or security agreements created by the property owner and
24 previously recorded or filed.

25 ~~B. The department shall notify an obligor who is at least two~~
26 ~~months in arrears in making child support payments, periodic payments on a~~
27 ~~support arrearage or periodic payments pursuant to a court order of~~
28 ~~support that a notice of lien may be filed against the obligor. The~~
29 ~~department shall notify the obligor by first class mail at the obligor's~~
30 ~~current address, or after a reasonable attempt to ascertain the obligor's~~
31 ~~location, at the obligor's last known address. The notice shall state the~~
32 ~~following:~~

33 ~~1. The obligor is at least two months in arrears in making child~~
34 ~~support payments.~~

35 ~~2. The obligor may request in writing an administrative review to~~
36 ~~contest the arrears pursuant to section 25-522.~~

37 ~~3. The obligor may request in writing an administrative review~~
38 ~~within fifteen days from the date of mailing of the notice.~~

39 ~~4. If the obligor requests an administrative review, the department~~
40 ~~shall stay further action until a determination has been made at the~~
41 ~~administrative review.~~

42 ~~5. If the obligor fails to respond to the notice, the department~~
43 ~~shall file a notice of lien against the obligor.~~

44 ~~6. The address and telephone number of the department.~~

45 ~~7. The obligor may request a copy of the order.~~

1 ~~C. If an obligor fails to respond to the notice within fifteen days~~
2 ~~from the date of mailing, the department shall send the obligor a second~~
3 ~~notice by first class mail. The second notice shall include the~~
4 ~~information under subsection B of this section and shall state the~~
5 ~~following:~~

6 ~~1. If the obligor fails to contact the department within fifteen~~
7 ~~days from the date of mailing of the second notice, a notice of lien shall~~
8 ~~be filed against the obligor.~~

9 ~~2. This is the final notice the obligor will receive.~~

10 ~~B. If the obligor requests an administrative review pursuant to~~
11 ~~this section, the department shall determine whether to proceed with~~
12 ~~filing the notice of lien based on whether the obligor is required to pay~~
13 ~~child support, whether the obligor is in arrears, and any other~~
14 ~~information relevant to the case. The decision of the department shall be~~
15 ~~in writing, and the department shall provide a copy to the obligor.~~

16 ~~E. If the department determines that the obligor is at least two~~
17 ~~months in arrears and determines at the administrative review to record a~~
18 ~~notice of lien against the property of the obligor or if the obligor fails~~
19 ~~to respond to the second notice, a notice of lien shall be recorded and a~~
20 ~~copy sent to the obligor by certified mail.~~

21 B. WHEN RECORDED, THE ORDER SHALL BE ACCOMPANIED BY THE INFORMATION
22 STATEMENT OF THE JUDGMENT CREDITOR PURSUANT TO SECTION 33-967. THE
23 STATEMENT SHALL SET FORTH THE AMOUNT OF THE CURRENT SUPPORT ORDER AT THE
24 TIME OF RECORDING. A COPY OF THE INFORMATION STATEMENT OF THE JUDGMENT
25 CREDITOR AND THE ORDER RECORDED SHALL BE MAILED TO THE OBLIGOR AT THE
26 OBLIGOR'S LAST KNOWN ADDRESS.

27 C. ON REQUEST, THE DEPARTMENT SHALL PROVIDE A PAYOFF AMOUNT TO THE
28 OBLIGOR OR A PARTY ACTING WITH THE OBLIGOR'S CONSENT. IF THE OBLIGOR
29 DISAGREES WITH THE PAYOFF AMOUNT, THE OBLIGOR MAY MAKE A WRITTEN REQUEST
30 FOR ADMINISTRATIVE REVIEW TO CONTEST THE ARREARS PURSUANT TO SECTION
31 25-522. THE ISSUES TO BE DETERMINED ARE WHETHER THE OBLIGOR IS REQUIRED
32 TO PAY SUPPORT AND IS IN ARREARS AND THE AMOUNT OF ARREARS OWED.

33 ~~F. D. The department may, at any time, MAY release the property~~
34 ~~subject to the lien from the lien. Notice by the department to the effect~~
35 ~~that the property had HAS been released from the lien is conclusive~~
36 ~~evidence that the property had been released. If any lien imposed~~
37 ~~pursuant to this section is satisfied and a notice of lien has been~~
38 ~~recorded, the department shall issue a release of the lien to the obligor~~
39 ~~against whom the lien was claimed. WHEN THE DEPARTMENT CLOSES A TITLE IV-D~~
40 ~~CASE, THE DEPARTMENT SHALL RELEASE ANY LIEN UNDER THIS SECTION. THE LIEN~~
41 ~~RELEASE DOES NOT SATISFY ANY AMOUNT OF UNPAID SUPPORT OR RELEASE THE LIEN~~
42 ~~ASSOCIATED WITH A RECORDED JUDGMENT. The department shall record the lien~~
43 ~~release in any county, agency or political subdivision where the original~~
44 ~~lien was recorded.~~

1 ~~G. This state shall give a lien recorded in another state full~~
2 ~~faith and credit if the state agency, party or other entity seeking to~~
3 ~~enforce the lien complies with the notice requirements of this section and~~
4 ~~records the lien pursuant to the applicable laws of this state.~~

5 Sec. 3. Section 25-522, Arizona Revised Statutes, is amended to
6 read:

7 25-522. Administrative review; notice; determination;
8 judicial review; definitions

9 A. An obligor may contest an enforcement action by the department
10 or its agent by filing a request for administrative review. An obligee
11 may contest the distribution or disbursement of support payments by the
12 department or its agent by filing a request for administrative
13 review. The obligor, the obligee or the caretaker may contest the
14 disbursement of support to a noncustodial person other than the state by
15 filing a request for administrative review pursuant to section 46-444.
16 The request shall be in writing, shall be signed by the requesting party,
17 shall include a residential and mailing address and may be transmitted
18 electronically. The request shall state the basis for the dispute and
19 shall include any relevant information to assist the department or its
20 agent, including a copy of any order issued, documentation of support
21 payments made and any notice sent by the department or its agent.

22 B. Within ten business days after ~~receipt of~~ RECEIVING the request
23 for review, the department or its agent shall send a notice of
24 acknowledgment of receipt of request for administrative review to the
25 person filing the request and shall specify any additional information the
26 department or its agent requires to complete the review. The department
27 or its agent on its own initiative may also request any other additional
28 information it deems necessary to make its determination. The department
29 or its agent shall also notify the obligee of the obligor's request for
30 review of enforcement actions.

31 C. Except for obligee complaints made under section 46-408 as to
32 distribution of support, the department or its agent shall issue a written
33 determination within forty-five business days after sending the notice of
34 acknowledgment of receipt of request for administrative review, or if
35 additional information is required, forty-five business days after receipt
36 of this information. If additional information is not received from the
37 requesting party or another person within thirty business days after the
38 date of the department's or the agent's request for additional
39 information, the department shall issue a final written determination
40 within ten business days after the due date for receipt of the additional
41 information based on the available information. The final determination
42 shall be in writing, and a copy shall be served on all parties by first
43 class mail or may be delivered electronically if electronic contact
44 information is included in the request for administrative review.

1 D. Notwithstanding subsections B and C of this section, if the
2 basis for the request for review is ~~issuance of~~ an income withholding
3 order ISSUED by the department pursuant to section 25-505.01, A LIEN
4 RECORDED PURSUANT TO SECTION 25-516 or a levy made pursuant to section
5 25-521, the department shall review the request and issue a final
6 determination within ten business days after it receives the request for
7 review. The department shall send a copy of the final determination by
8 first class mail to all parties.

9 E. Notwithstanding subsections B, C and D of this section, if the
10 basis for the request for review is a mistake in identity pursuant to
11 section 25-521, the department shall issue a final determination by first
12 class mail to all parties within two business days after ~~the receipt of~~
13 ~~the request. The request shall include~~ RECEIVING adequate documentation
14 to ~~affirm~~ DETERMINE the mistake in identity.

15 F. A department determination made pursuant to this section is
16 subject to judicial review under title 12, chapter 7, article 6, except
17 that an appeal by an obligee of a department determination made pursuant
18 to this section regarding the distribution of support payments shall be
19 made pursuant to title 41, chapter 14, article 3.

20 G. For the purposes of this section:

21 1. "Business day" means a day on which state offices are open for
22 regular business.

23 2. "Department" includes the department's agent.

24 3. "Enforcement action" means an action taken by the department to:

25 (a) Suspend or deny a license.

26 (b) ~~issue a notice of~~ IMPOSE A lien against real or personal
27 property.

28 (c) Issue a notice of levy against assets held by or on behalf of
29 an obligor.

30 (d) Issue an income withholding order or order to modify or
31 terminate an income withholding order.

32 (e) Report an obligor to a consumer reporting agency.

33 (f) Issue a medical support notice of enrollment prescribed by the
34 United States secretary of health and human services.

35 (g) Offset federal payments.

36 (h) Disburse support to a caretaker.

APPROVED BY THE GOVERNOR JUNE 5, 2020.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JUNE 5, 2020.

Passed the House May 19, 2020,

by the following vote: 45 Ayes,

15 Nays, 0 Not Voting

[Signature]
Speaker of the House
[Signature]
Chief Clerk of the House

Passed the Senate February 20, 2020

by the following vote: 26 Ayes,

0 Nays, 4 Not Voting

[Signature]
Temporary President of the Senate
[Signature]
Temporary Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

26th day of May, 2020,

at 12:20 o'clock P M.

[Signature]
Secretary to the Governor

Approved this 5th day of

June, 2020,

at 12:28 o'clock P M.

[Signature]
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this 5th day of June, 2020,

at 2:32 o'clock P. M.

[Signature]
Secretary of State

S.B. 1555