

CALIFORNIA DEPARTMENT OF CHILD SUPPORT SERVICES

P.O. Box 419064, Rancho Cordova, CA 95741-9064



July 23, 2002

CSS LETTER: 02-17

ALL IV-D DIRECTORS
 ALL COUNTY ADMINISTRATIVE OFFICERS
 ALL BOARDS OF SUPERVISORS

SUBJECT: ALASKA PERMANENT FUND DIVIDEND MATCH

The Department of Child Support Services (DCSS) is initiating an offset of the Permanent Fund Dividend (PFD) payments distributed to non-custodial parents who are qualified Alaskan residents.

This letter is to explain what the Alaska PFD is and what actions will be required of the Local Child Support Agencies (LCSAs) in implementing this offset. The PFD, previously known as the Pipeline Fund, was established by the State of Alaska to disburse to the citizens of the state the excess oil revenues generated by the creation of the Alaska oil pipeline. Under this program, every resident of Alaska is entitled to an annual dividend payment between October and November of each year. The size of each year's dividend is calculated using a formula that takes into account the fund's performance over the previous five years. Since 1996 the dividend has exceeded \$1,000 per year. Currently six other states (Hawaii, Maryland, Montana, Oklahoma, Tennessee, and Utah) offset PFD payments distributed to NCPs.

DCSS has submitted a file to the State of Alaska to be matched against their 2002 PFD database. The file was created from the Integrated Database (IDB) which contains all California NCPs owing arrears. Alaska, will match California child support cases against their PFD database and return a file that contains any matches between IDB and the PFD database. The 800,000 IDB records will match against the 600,000 records contained in the Alaska PFD database. DCSS will provide each local child support agency (LCSA) with a list of NCPs that match the PFD file. The LCSA will initiate a UIFSA action on each case, if one has not already been established, and the

Reason for this Transmittal

- State Law or Regulation Change
- Federal Law or Regulation Change
- Court Order or Settlement Change
- Clarification requested by One or More Counties
- Initiated by DCSS



LCSA desires to pursue the offset. Note: Alaska has mandated a minimum offset amount of \$50.00. LCSAs must submit their UIFSA action requests to Alaska by **August 15, 2002**. One of the following actions will be required:

A. If the NCP has already been submitted for UIFSA action in Alaska and they are fully enforcing the action, there is no need to resubmit the case. Alaska will automatically match all existing UIFSA cases they are fully enforcing against the 2002 PFD fund and make an offset when a match occurs.

B. If Alaska is not fully enforcing a UIFSA action for a California case, the LCSA must initiate a UIFSA action in order for Alaska to offset the PFD. This action is necessary because Alaska does not currently have an automated intercept system for offsetting PFD money.

C. If the LCSA does not desire Alaska to fully enforce a UIFSA action but does want to collect the PFD, a PFD Only (PFDO) action may be requested. PFDO cases are closed after each annual PFD has been collected, and the LCSA is required to provide a new form each year that the PFDO offset is requested.

We have enclosed an information packet provided by the State of Alaska for requesting a PFDO offset on new or existing closed cases and already open or existing cases.

Please be aware that Alaska will not check the matches against their caseload to verify whether or not there is an existing UIFSA case. It will be the responsibility of each LCSA to edit their own case match file and determine if a UIFSA action is necessary.

DCSS is very excited about the prospect of these PFD intercepts. We look forward to working with the LCSAs to get this yearly program established with the State of Alaska and increasing financial support to the children of California this year and into the future.

We apologize for the short notice required to take advantage of this offset. DCSS only became aware of this opportunity in mid-July. If you have any questions or concerns regarding this matter, please contact Robert Silvey, Chief, Child Support Intercept Branch at (916) 464-5369.

Sincerely,

JOAN OBERT
Assistant Deputy Director
Technology Services Division

Enclosure