

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON JUDICIARY**

**Seventy-Third Session
February 10, 2005**

The Committee on Judiciary was called to order at 8:08 a.m., on Thursday, February 10, 2005. Chairman Bernie Anderson presided in Room 3138 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. All exhibits are available and on file at the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Mr. Bernie Anderson, Chairman
Mr. William Horne, Vice Chairman
Ms. Francis Allen
Mrs. Sharron Angle
Ms. Barbara Buckley
Mr. John C. Carpenter
Mr. Marcus Conklin
Ms. Susan Gerhardt
Mr. Brooks Holcomb
Mr. Mark Manendo
Mr. Garn Mabey
Mr. Harry Mortenson
Mr. John Ocegüera
Ms. Genie Ohrenschall

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

None

STAFF MEMBERS PRESENT:

Allison Combs, Committee Policy Analyst
René Yeckley, Committee Counsel
Katie Miles, Committee Policy Analyst

Victoria Thompson, Committee Manager
Jane Oliver, Committee Attaché

OTHERS PRESENT:

Ben Graham, Legislative Advocate, representing Clark County District Attorney's Office
Robert Teuton, Assistant District Attorney, Clark County District Attorney's Office, Clark County, Nevada
Nancy Ford, Administrator, Welfare Division, Nevada Department of Human Resources
Gary Stagliano, Deputy Administrator, Field Operations and Programs, Welfare Division, Nevada Department of Human Resources

Chairman Anderson:

[Meeting called to order and roll called.] We will lead off this morning's presentations with the Legislative Committee on Children, Youth and Families.

We'll have the copies of your report ([Exhibit B](#)) distributed. I believe this is a standing committee, is it not? I had the opportunity of serving the first time this was undertaken. Now it seems to have more of a money flavor to it rather than a policy flavor to it. However, it is a major concern of this Committee. Many of these issues that come forward are not money issues, but public policy issues. The opportunity, therefore, to hear from state agencies involved in this and how this is coming forward I think is very, very important to us. This is one of the ongoing issues that we remain concerned about.

Assemblywoman Buckley:

[Introduced herself.] I had the honor of serving as Vice Chair of the Committee on Children, Youth and Families in the interim session. Senator Ray Rawson was the Chair of that committee and, of course, is not with us, but I'd like to commend his work over the years on this committee. He worked very hard and was the league champion in the Senate on improving the lives of abused children on these issues.

The bulletin that you've received ([Exhibit B](#)) provides a summary of the interim committee's work. The interim committee consisted of—besides Senator Rawson—myself as Vice Chair, Senator Carlton, Senator Mathews, Senator Washington, and Senator Wiener, and Assemblyman Carpenter, Assemblywoman Giunchigliani, Assemblywoman Leslie, and Assemblyman Sherer.

[Assemblywoman Buckley, continued.] I'd like to give a roadmap of how we got to this issue in the first place. In 1999, Speaker Joe Dini, in response to some concerns in his district, came to the Judiciary Committee with a bill on child welfare. At around the same time, Steve Shaw, who was the Director of DCFS [Division of Child and Family Services], came to the Committee and said, "Bifurcation is hurting kids." Kids are getting caught in the middle. Bifurcation in Washoe and Clark Counties was where the counties had responsibility for initial child abuse calls, screening, investigations, and the temporary placement of children.

I'll use Clark County as an example. Hotline gets a call, worker goes out, investigates, sees abuse, pulls the child, puts the child in Child Haven, and as rule of thumb, the child was kept in a shelter. Child Haven was the county's responsibility for about six months. This was to see whether the child might go back to the family or whether the child would have to go into long-term foster care.

At the six-month period, the child got transferred from the county to the State. What did that mean? Suddenly the child and family were assigned a new worker. The therapist who was working with the child for six months is now gone. The county and the State have different therapists, so the continuity of care for the therapy is gone. The home is gone. If the child was in Child Haven, that was disrupted. If the child was in an emergency foster home with the county that could change, because the county and the State have different contracts with different families to provide foster care. The child often lost their worker, therapist, and their home as a result of the way we constructed this system.

To make it even worse, that worker who developed a bond with the child and actually knew the nuances that you may not enter in a case management system: all of that was lost. Sometimes vital evidence was even lost. While the county has the district attorney's office to work on a case and present to the court, when the child got sent to the State, the Attorney General's office was involved. Sometimes vital evidence of abuse and neglect was lost, and the prosecution of parents, for abusing children.

It was a horrible system. At around that time, the federal government passed the Adoption and Safe Families Act [of 1997], which said too many children are languishing in foster care. Nevada, at that point, was faced with being penalized significantly by the feds—who basically fund half of our child welfare system—if we didn't get children in loving homes quicker. The bifurcated system was preventing that from happening, because you would have somebody starting all over with a child at a six-month period.

[Assemblywoman Buckley, continued.] Legislation was recommended to end the bifurcated system in Washoe and Clark Counties. The rural communities had the state doing that service from day one, so they didn't have bifurcated systems. We passed legislation to end the bifurcation and it was on different staggers, Washoe County being smaller and working with the State on a pilot project sponsored by Senator Washington. They were already starting it. Washoe ended bifurcation and began integration in January of 2003, and Clark County ended bifurcation in October of 2004.

Part of the job of the interim committee was overseeing that. Washoe County, in the estimation of the Committee, has done a very good job. This is a massive undertaking. All of the State workers become county workers. You have issues of vacation times, sick time, longevity, health insurance, cultures blending together, "no, we always did it this way," and "no, we did it this way." They undertook that massive undertaking, did it, and, as a result, you can see that the higher levels of care, or children having to go into institutions because of behavioral problems and not stabilizing, has dropped. It's working well.

Clark County also did an excellent job with the integration. Again, it was tough on the State, and it was tough on the county. When this happened, about one-quarter of the workers left. They didn't want to go to the new system. They transferred to State jobs, or they retired. The counties had to rehire one-quarter of its workforce. I can't overemphasize how hard people worked to make this a success and how difficult it was.

Bifurcation has ended for most purposes except for one, which I'll mention a little bit later. Everyone should be commended; the counties, the State, Jone Bosworth and her staff, Mike Capello in Washoe County, Susan Klein-Rothchild in Clark County.

Part of the interim committee just took reports on what's happening, what are the results, what's the progress. We heard complaints from some of the parties. We tried to move things along and be supportive, and oversaw that process. The rest of the Committee's time was focused on review of some of the bigger issues that we've been facing from the beginning and recommendations for the future. Briefly, I think I'd like to comment on some of the successes that the interim committee heard and which have taken place since this began in 2001.

The number one success: bifurcation has ended. It still has pains, but—a major success. When we first started this, caseloads were 1:50. You can't see your children, you can't take them to doctor's appointments, and you can't assist with that kind of caseload. Last session, caseloads were reduced to 1:28. In

this session's budget, there is a recommendation included by the Governor to reduce caseloads to 1:21, a major improvement.

[Assemblywoman Buckley, continued.] We increased foster care rates two sessions ago, and that is continuing to help foster parents who are willing to take children, but need funds to make sure it happens. Respite care has been improved and funded. Keeping siblings together has been a big focus of Chairman Anderson and Assemblyman Carpenter since they formed this first subcommittee, and improvements have been made in that.

We created a fund to help children when they age out of foster care and leave. It helps provide a security deposit, utility deposit, and insurance for a car. It had a very slow start, but now it's working.

The other major issue in child welfare that we spent a lot of time on is children who have either mental health issues or behavioral problems due to their abuse and neglect. We have children who are victims of some of the most horrible crimes there are including sexual abuse and neglect. Being a 10-year-old girl and seeing your sister murdered, and your parents leaving you alone because they were involved in a drug deal—you can't imagine the horrors that some of these children go through, so, to no surprise, they sometimes act out. Well, most of our children act out too, and their situations are pretty much stable.

When children act out, we still have tremendous issues that we have to resolve in this area. We created a WIN [Wraparound in Nevada] Program, which is a wraparound program to get specialized workers to work with the kids right away, to get them services. The WIN Program also had a very slow start. The interim committee spent a great deal of time trying to ramp it up. We have money in the budget for 300 kids. We had a waiting list of 500 and we had kids not being served, so the interim committee spent a lot of time. I'm pleased to report there are now about 450 kids receiving this service, which is a great improvement.

The biggest challenges still remain for children who have behavioral and mental health problems. I think it's probably the biggest crisis facing abused children in the state today. It's a topic that gets virtually no attention whatsoever. It shocks and horrifies me every time I hear of yet another case. I'll give you an example.

A child acts out and has behavioral problems due to their abuse. It's so severe they think the child might hurt themselves. The child goes to an institutional setting for hospitalization, and perhaps that hospital is Desert Willow down in Clark County. The child is treated, stabilized, and now they have no home to go

back to, because that home where the child was isn't required to keep a bed open for that child. Whenever the child has a meltdown they lose their home. Can you imagine your child having a meltdown and then losing their home? To make it worse, the providers in this state have the right to say, "No, I don't want a child." Most other states have a no eject, no reject, you have to take the child back. When you have a difficult child, you have to take the child. You have to find a home for a child.

[Assemblywoman Buckley, continued.] We have children who are stuck in a hospital or, after they are stabilized in the hospital, have to go to a shelter, because there is no home left for this child. The interim committee wasn't able to make any progress on this, except for the recommendation that if the Department of Child and Family Services can't come up with a solution, we should transfer the responsibility to the State adult mental health system. If you can't do it, give it to somebody who can. That's all we can do as legislators.

I'll run through the legislation bullets ([Exhibit B](#)) pretty quickly because the overview will make it easy, as I just highlighted every single one of the issues.

They start on page [iii] of the bulletin ([Exhibit B](#)). The first recommendation was to require the State Department of Human Resources to come up with a final funding formula which will go to Ways and Means. I'd be happy to go into it if someone has a question. The second is to deal with this mental health issue. I'll skip to recommendation number 5, legislation to require child welfare agencies to develop a transition plan so that before children leave, they have a Social Security card and health insurance, if they are disabled. Give them the basics and a dollar in their pocket before we turn them out. Let's have some things set up for these children.

The next recommendation is that children from 18 to 21, who age out, have Medicaid insurance for a couple of years.

We had a very sad case. We did a survey of children aging out, done by Thom Reilly when he was still a social work professor. The survey results were pretty horrible—the number of children in prison, and in jail. We have one child who was discharged without health insurance, rationed his insulin, and died a year out of aging out. Thom Reilly got a call from the sister saying, "You sent this letter with a survey of how my brother is doing," and ironically, I believe he was taken out of care because they didn't think the older sister could manage his diabetes.

[Assemblywoman Buckley, continued.] The additional recommendations have to do with a Child's Bill of Rights. A child should have the right to medication, the right to a home, and the right to be placed with their siblings.

The adoption recommendations are in here. Senator Carlton chaired that subcommittee, and I know Assemblyman Anderson had an issue that was not resolved that this Committee will have to do separately, but the recommendation from that subcommittee was to require the State Register for Adoptions to attempt to contact an adopted child when the Registry receives information about medical updates. That obviously needs additional work.

I will wrap up. The issue regarding siblings is important because, just as I described, the crisis for children with mental health issues—it's especially difficult for children with siblings. Right now, if you do find a home for a child with behavioral problems, that home is licensed to deal with three or four children with behavioral problems, so they won't usually take the brother or the sister. We have children who are desperate to stay with their brother and sister, but because of the way our mental health system is structured in terms of levels of care, siblings are separated because homes only want troubled kids, because they make more money serving troubled kids than they would in keeping siblings together.

I've been meeting with Mike Willden and Jone Bosworth, and they are committed to getting a structure together so this legislation may not be necessary. That will be up to the Chair of this Committee, the Chair of Ways and Means, and the Chairman of Health and Human Services to see where this all goes. I'm happy to take any questions.

Chairman Anderson:

I want to disagree very, very strongly with one of your statements, relative to whether we make a difference. I can't think of a single thing that has happened in my time here in the Legislature where I feel that the Judiciary has made a long term, enormous difference in the quality of life for children in this state, on this particular issue. We heard testimony yesterday from Juvenile Justice. When it was chaired by Ms. Evans—and I had the privilege of serving—one of the problems that the initial study dealt with was this very issue.

May Shelton from Washoe County, who was then the leader on this particular issue, really continued to focus on why children's rights had to be addressed in a meaningful way. Washoe County was doing one thing and had been for some time, and the people in Washoe County were terribly concerned about child safety, particularly those that had been abducted and child welfare. They had an assessment on themselves in that county to provide for that kind of program.

[Chairman Anderson, continued.] The rest of the state was going in a different direction. When we statutorily did the studies with Ms. Evans, and then again and again, this Committee clearly recognized—Mr. Carpenter, Ms. Buckley and I—that we needed to focus solely on this issue. That was why we created this particular Committee statutorily and made it a standing committee. I see among your recommendations that it be a continuing standing committee.

There are some juvenile justice issues that also need to be continually examined. Whereas it has ended, there was turf fighting that had taken place between state agencies and county agencies. It was because of the continual supervision of you, Ms. Buckley, and those meetings to find out whether the counties were doing what they had told us they were going to do.

We're only here for 120 days every other year. However, like the Grand Canyon, we make a difference. You make a difference. Ms. Buckley, you and your Committee have made an enormous difference for children who need someone to protect them.

We get constituent telephone calls from people who are wondering: "How come my child is being treated this way?" I had one last night from someone who couldn't get their Medicaid form for their special-needs child, and they were trying to go through an adoption. I'm sure that Mr. [Michael] Capello and I will probably be talking here in a little while about it once again.

Mr. Capello has picked up the gauntlet that May Shelton put down. What Mr. [Kirby] Burgess had started, and done, and tried to do in Clark County, with the difficulties dealing with the largest county in the state, who is going in a different direction.

In terms of the dollar cost of putting this together, if you and we, as a group, had not been there to make sure this was happening, I'm not sure the bureaucracy would not have continued to function the way it always has. These are well-meaning people who really do care about children, who are caught up in the language of the law that we write. If we didn't say we can do better, it would never happen. I want you to know how much I admire your continuing pressure. My particular issue was not addressed, but I guess it will be.

Assemblywoman Buckley:

That's what the 120 days are for.

Chairman Anderson:

I want to mention that this is something we have been working at since 1997, actually 1995, and then 1997 with Ms. Evans. We heard from Ms. Leslie

yesterday about these other kinds of things. We've seen Mr. Shaw, who set out a clear and courageous path for the state agencies to undertake this. Now we see Ms. Bosworth, who has clearly followed through on those kinds of commitments. It is proof positive that the state and the counties can work together to solve a common issue and reach a long-term goal. I know it's been a very difficult trip for Clark County in particular, because of the economic involvement of just doing the bureaucratic re-setup.

Assemblyman Carpenter:

If it hadn't been for Ms. Buckley and her leadership in this area, it would have never gotten done. I also want to thank you, Mr. Chairman, for all of your input. I think we've made great progress, and we're going to continue to make great progress. I want to thank Ms. Buckley and you for starting this. The children have all benefited from it. It has made a great deal of difference in the rurals too. Even though the rurals weren't in the bifurcation situation, we've done a number of things that have helped the rurals. I want to lend my support to everything that has been done, and I'm sure it will continue.

Assemblyman Horne:

Ms. Buckley, was there any discussion revisited on the kinship care program? I remember it got cut. Did it get funded back to its original place?

Assemblywoman Buckley:

I'll answer that, and then I'll turn around to Mike Willden to make sure I've said it correctly. After September 11, when we lost one year's worth of State revenue after the terrorist attacks, it was one of the cuts. After the state's economy rebounded somewhat, some of the cutbacks were put back into the budget to reduce what would have been the cuts. At this point, the levels for the first child remain the same. The cutbacks were on the second child. Kinship care is for grandparents or relatives over a certain age that take children in but are usually on Social Security and need some additional help. That was reinstated once the economy rebounded.

I think it's safe to say, if I may speak for Jane Horner, who championed this issue, she would like to see it as statutory entitlement, so that if the economy is bad, grandparents don't bear the brunt of it. In fact, she contacted me two days before session started to remind me that's what grandparents want.

Chairman Anderson:

We feel the pressure on an ongoing basis from parents and various state agencies that know which way we should be moving, if we're going to make a meaningful difference. This is one of the areas where the state and county

agencies want us to do the right thing. Sometimes we forget how it all meshes together.

Assemblywoman Ohrenschall:

I wanted to echo Assemblyman Carpenter's sentiments about Ms. Buckley's leadership and the worthiness of the program, what it's achieved so far, recognizing that we still have a long way to go. The beginning is what gives the impetus to get there.

Assemblywoman Buckley:

I appreciate the comments when I didn't have to do any of the work. It's really the counties and Thom Reilly, Susan Klein-Rothchild, Mike Capello, Mike Willden and Jone Bosworth. It's easy to pass the laws. They have to implement them.

Assemblyman Mabey:

I appreciate your help too. One of the most important things is to take care of our children. I'm reminded of a case and I want your comment. I have a patient that came in and she had been a foster mother, for about four years, to this little girl. The birth mother was getting out of prison and was making efforts to get her child back, but the foster mother wanted to adopt the little baby. It ended up that the birth mother did give up her rights and the foster mother was able to adopt the baby. How does that work? The mother was in prison for drug addiction and drug problems or for something related to drugs. I think you understand what my question is.

Assemblywoman Buckley:

If we followed the statutory presumptions that we have created in the law, that would facilitate adoption of that child early on. The philosophy is, do you allow a parent four or five years down the road to get a child back, when four or five years is one-third to one-half of that child's life, from birth to 18. The presumption that we have is toward the child. The child is entitled to permanency and is supposed to be first, so that they don't bounce around from home to home. Our big shift with the Adoption and Safe Families Act, and with our legislation adopting it, is that the child almost, in a sense, is more important than the parent. In that type of case, usually termination would move after two or three years. That's why Assemblyman Anderson feels so strongly about the other issue, with regard to how adoptions are conducted.

Let's say the child was 13, loved their Mom, and had a bond with her. The child lived with her until they were 13, and then the Mom went to prison. The Mom gets out when the child is 15. In the meantime, someone wants to adopt. The folks who are experts in this say this is the best thing for that child, if they still say they don't want to live with Mom. They love her, but that life was too

rocky. Kids say that all the time. They know better than us what gives them security. That child wants an open adoption. They want the right to be able to see Mom a few times a year or to have a relationship with Mom, but know they have a bed to sleep in at night.

[Assemblywoman Buckley, continued.] We do open adoptions at the state level with abused children and foster children all the time, and it works, especially when the child is older and they know what they want. It's very emotional, because people think you're just trying to stop adoptive parents from having that one-on-one bond with that child, and you're trying to stop adoptions. That isn't really what it's all about most of the time, when you're not talking about infant adoptions. You're talking about trying to think of the child first. That's something I think the Chairman wants to explore more this session is: how we can again try to think of the child. Good adoptive parents recognize the child is going to have questions their whole life about their birth parents. Why not deal with it openly and lovingly and say there are lots of people that love you?

Chairman Anderson:

The Chair has two pieces of legislation that he intends to request of the Committee.

- BDR 11-674—Makes various changes concerning State Register for Adoptions. (ASSEMBLY BILL 50)

ASSEMBLYWOMAN BUCKLEY MOVED FOR
COMMITTEE INTRODUCTION OF BDR 11-674.

ASSEMBLYMAN CARPENTER SECONDED THE
MOTION.

THE MOTION PASSED UNANIMOUSLY.

- BDR 11-457—Provides procedure for parties to adoption to enter into enforceable agreement for postadoptive contact. (ASSEMBLY BILL 51)

ASSEMBLYMAN HORNE MOVED FOR COMMITTEE
INTRODUCTION OF BDR 11-457.

ASSEMBLYWOMAN BUCKLEY SECONDED THE
MOTION.

THE MOTION PASSED UNANIMOUSLY.

We have no Floor session today, so those will be on Friday's agenda.

The second half of the agenda deals with an overview of the process of enforcement of collection of child support payments in Nevada.

Ben Graham, Legislative Advocate, representing Clark County District Attorney's Office:

I'm here with Bob Teuton, who is Assistant District Attorney. He's been a criminal deputy in our office for a number of years and juvenile deputy in charge of the juvenile division for nearly 28 years. Bob has served with the District Attorney's Office. The last 18 months he's been designated as an assistant district attorney. There are two of those after the District Attorney, David Roger. Bob has primary responsibility remaining with the Juvenile Department, plus the Family Support Division.

Chairman Anderson:

His leadership has been well noted for some time. He's worked really hard for the citizens of Clark County and for several district attorneys.

Robert Teuton, Assistant District Attorney, Clark County District Attorney's Office, Clark County, Nevada:

I would like to depart from the scheduled agenda and allow Ms. Ford to speak first. She represents the State, and has a broader overview of the entire Child Support Program. I'll follow up at that point with particulars about Clark County.

Chairman Anderson:

I've asked the Research Staff to prepare and distribute to the members of the Committee, an executive summary of an audit that was done by Policy Studies, Inc., on the Clark County District Attorneys' Family Support Division ([Exhibit C](#)). They have that as a reference issue in front of them.

Nancy Ford, Administrator, Welfare Division, Nevada Department of Human Resources:

[Introduced herself.] Welfare Division is responsible for the Child Support Enforcement Program. With me I have Gary Stagliano, Deputy Administrator for Program and Field Operations, and our new Chief of Child Support Enforcement, Louise Bush. [Read from [Exhibit D](#).]

The timely receipt of child support is critical for millions of Americans and families. The Child Support Enforcement Program was established in 1975 as Title IV, part D of the Social Security Act [of 1935]. It is a federal, state, and local partnership to help

promote self-sufficiency for families and get them the child support to which they are entitled.

[Nancy Ford, continued.] The administration of Children and Families, through its Office of Child Support Enforcement, assists the state and local governments with pursuing the child support.

All states and territories, and some Indian tribes, run a Child Support Enforcement Program which operates under a federally approved state plan. I'd like to note that as a condition of receiving a TANF [Temporary Assistance for Needy Families] block grant, we are required to have a child support enforcement program. That is tied with the TANF Program also.

In Nevada, the Welfare Division supervises the Child Support Enforcement Program and jointly operates it along with the county district attorneys around the state. You can see there is a summary of casework responsibilities as a matrix on Exhibit 1 [page 5 of [Exhibit D](#)], which shows how the responsibilities for child support are distributed among the district attorneys' offices and our program area offices, which are the state offices.

Services are available to a parent with custody of a child who has a parent living outside the home. They are automatically available to recipients of TANF. When somebody starts getting Temporary Assistance to Needy Families, they are automatically enrolled in Child Support Enforcement, and Child Support goes forward to try and either establish paternity, collect support, establish an order, or whatever is necessary in that case.

Those that are not receiving public assistance can apply for Child Support Enforcement Services. They can also receive child support enforcement. The Child Support Enforcement Program has five major services that are provided to families:

- Locating noncustodial parents
- Establishing paternity for children born outside of a marriage
- Establishing financial and medical support orders
- Enforcing support orders
- Collecting and disbursing support payments

The program also provides services to noncustodial parents, such as access and visitation services and employment training. This

program helps noncustodial parents get work so that they can pay their child support.

[Nancy Ford, continued.] Funding for this program is 66 percent federal and 34 percent state or county funds. In the State program, we rely upon collections in Temporary Assistance to Needy Families [TANF] to meet the State share. There is no General Fund allocated for this program. We collect the child support through Temporary Assistance to Needy Families, and we fund it with that share. The counties that participate in the program put up the 34 percent match to the 66 percent federal. Each of the counties provides that money.

States are eligible to earn federal incentive monies based on performance, and the state passes on most of those incentives, virtually all of them, to the county district attorneys, to encourage their performance in collecting child support. The performance measures are listed in my handout ([Exhibit D](#)). They are:

- Paternity establishment: percentage of children that were born out of wedlock and had paternity established or acknowledged
- Support orders: percentage of total open cases that have support orders established
- Collections on current support: total amount of current support distributed
- Collections on arrears: total amount of support payments collected for past-due support
- Cost effectiveness: total child support dollars collected divided by the total dollars expended

Those are the five performance measures.

In State fiscal year 2004, the Nevada Child Support Enforcement Program collected \$134,857,240 in child support. If you turn to Exhibit II [page 6 of [Exhibit D](#)], you can see a matrix of how collections have increased over the last five years. There was a 10 percent increase in 2004 over 2003.

Chairman Anderson:

Does this matrix only reflect that of the state?

Nancy Ford:

I'm talking from a statewide perspective, because we're over the whole program, not just one particular county.

Chairman Anderson:

And, therefore, the function of population increase is factored in?

Nancy Ford:

Population increase affects our caseload, which can affect our collections. If you have a larger caseload, you're going to get more collections. What this shows is that we have increased collections year-over-year since 2000, statewide. Our largest county, Clark County, contributes greatly to that collection.

In Exhibit III [page 7 of [Exhibit D](#)], the monthly average of statewide caseload was 121,058 in fiscal year 2004, if you want to look at that and see how our caseloads have increased year-over-year. As you know, we've been the fastest growing state in the country for 18 years or more, so of course with our population growth, caseloads are going to increase.

Another factor that impacted us was the tragic events of September 11, 2001. As a result of that my TANF caseloads went up dramatically, and as a result, the child support caseloads went up dramatically. There are some domino effects between our two programs.

Exhibit IV [page 8 of [Exhibit D](#)] is offices and analysis of caseload distribution by counties. You can see which counties have how many cases, and of course Clark County has the most cases in the state, which is logical since they have the most population in the state.

Thank you for the opportunity to present. Mr. Teuton will give you some more details on the actual operation of the programs on a county level, because our district attorneys, as I said, do the bulk of the work out in each of the counties.

Chairman Anderson:

We'll have some procedural questions on how the case moves around from various state agencies to county agencies, and from county to county agencies—who's doing it in reality.

Robert Teuton:

[Introduced himself.] I have prepared remarks ([Exhibit E](#)) which are being distributed to you as I speak. I'd like to tell you a little bit about our office and about some things that we've done in the last 15 months—since I physically located in the Child Support Enforcement building in Las Vegas—and some of the things we have on our agenda for the coming year.

First, I gave you a statistical overview to give you an idea of the size of our operations. We have a total caseload in excess of 85,000. We currently have 228 full-time county employees. That is supplemented with approximately 35 full-time positions through a temporary budget for temps. We receive approximately 60,000 phone calls a month, 16,000 pieces of mail, 3,000 walk-in requests for assistance at our front counter, and process approximately 1,700 income withholding notices each month.

In federal fiscal year 2004, we increased our total collections to \$84,530,222, which represented a 10 percent increase over the preceding federal fiscal year. In terms of going to the federal office of Child Support Enforcement web page, where they publish statistical analysis of every state in the country, we compared our performance in federal fiscal year 2003 with 2002 and did a comparison with other states. The complete comparison is an attachment ([Exhibit E](#)), in each of the three areas.

In terms of performance, these are Nevada figures. Unfortunately, we can't get the specifics for just Clark County, but I think Clark County is about 70 percent of the state caseload. So, as Clark County goes, so goes the state. We were the third-highest percentage increase in the country in numbers of paternity establishment and acknowledgement that were processed between those two fiscal years. We ranked fourth-highest percentage increase in the number of child support orders that were established. We ranked eighth-highest in the country in the increase of distributed collections.

There are actually two measures. We focus on the amount of money collected, and the federal government focuses on the amount of money that's actually distributed to the custodian. This figure is distributed collections. The \$84 million I referenced is the total amount collected. There's a time gap between the collection and the actual disbursement.

Policy Studies, Inc. did come in. They were contracted in January of 2003 to do a study and make recommendations to the Clark County District Attorney for improvement in our office. They completed that study and published their results in July of 2003. They had a number of recommendations, which are

broken down in six-month intervals. We have been pursuing implementation of those recommendations. Of course it's their plan.

[Robert Teuton, continued.] One of the things they recommended was the addition of 27 full-time staff. They also recommended converting 35 part-time staff to full-time positions which, from a budget standpoint, is impossible. We still maintain those 35 part-time employees.

We have increased our number of case managers by 13 in the 15 months since I've been assistant district attorney. We have a request this year to complete their recommended full-time employee increase of 14 full-time positions, 14 additional case managers.

We have established a better relationship with the state in terms of utilizing the NOMADS [Nevada Operations of Multi-Automated Data Systems] system to develop management reports, which will assist us in the ability to do other things which PSI [Policy Studies, Inc.] recommended, such as establishing employee performance measures and things of that nature.

We were able to modify significantly the state policy on imputed income. This becomes important, because one of the federal performance measures upon which monies are received by the state of Nevada is the amount of money that is collected as a percentage of the amount of money that is owed. Up until this time, Nevada, when we couldn't locate or ascertain the actual income of a noncustodial parent, we used the Nevada Average Wage figure, which as we looked at our caseload, was roughly twice the amount of the child support order in cases which were fully litigated through the court system, as opposed to a default. We now have an occupational income that we can base it on, which is lower than Nevada Average Wage. It was more likely to reflect the actual income of the non-custodial parent. That will reduce the total amount of monies owed, when those orders are modified to an occupational income, as opposed to an average wage. With the amount of collections remaining constant, our federal performance will increase.

Chairman Anderson:

The average hourly wage is a significant issue relative to establishing the paternity rate of payment within the state?

Robert Teuton:

No, this is not paternity, Mr. Chair, this is a child support order.

Chairman Anderson:

I'm sorry. Not the paternity rate, the child support rate. So the opportunity to help children is tied to the hourly rate of pay—the base pay?

Robert Teuton:

One of the things PSI [Policy Studies, Inc.] recommended was that the State of Nevada take steps to increase the amount of federal monies that are flowing into the state. This particular item has to do with the strategy to accomplish that goal. To the extent that we're able to garner more federal money, incidental to that would be increased services and enhanced services to children.

Chairman Anderson:

Thank you.

Robert Teuton:

One of PSI's recommendations was that we create a specialized audit function. Prior to PSI, our case managers were jacks-of-all-trades. In other words, they handled every aspect of the case, including determining audits, to determine the amount of money owed for court. The attorneys in our office had pretty much taken over that function. They would reaudit the audits to make sure they were correct. They were the ones that were appearing before the judge. They were the ones that were going to be embarrassed if the audit wasn't correct.

To deal with that issue and remove that workload from the attorneys, we did create the specialized audit function. Through NOMADS, we've enhanced some other programs that make auditing a lot easier which, in turn, frees up the time of both case managers and attorneys to deal with other issues in the office.

PSI recommended that, in order to possibly impact our paternity establishment rate, we create an outreach program specifically with the hospitals to encourage the use of acknowledgements, as opposed to contested paternity hearings through the court process. We did that. We have a full-time worker assigned to the hospital staff, appearing in high schools, making public appearances, and wherever she can get into to explain the consequences of an unwanted pregnancy, the financial consequences on the NCP [noncustodial parent], and to encourage acknowledgement both for financial and for bonding reasons.

We established a case-closure project which, on its face—and this is another one of those, Mr. Chairman, which doesn't look like it directly impacts children, but collaterally does. One of the federal performance measures which increases the amount of monies flowing into the state is determined by looking at the

number of cases in which a support order has been established, a percentage of the total number of cases in the office.

[Robert Teuton, continued.] Between July and February of this year, we had 17,371 cases closed. The impact of those cases in the federal performance audit was to drag down our performance, which decreased the flow of federal money into this state. By concentrating on those cases and closing them out, we should see an increase in that performance and an increase in federal money coming into the state. Again, with the collateral, there are positive consequences on children.

We engaged in a case cleanup effort in which we physically went through and compared data in the NOMADS system with the physical file, as required by the federal government, over this time period. Approximately 126,000 case files were examined to ensure that the information in NOMADS was correct and that the integrity of the system could be relied upon. That took the equivalent of ten full-time employees working for one year, in terms of the impact that program had on our operations.

Given the fact that we effectively had a decrease of ten full-time staff and an increased \$84 million in collections, I think we did quite well. A 10 percent increase in collections, with a loss of 10 full-time employees engaged in that work.

We've established a management-level customer complaint desk so that when people have a complaint about phone calls not being returned or paperwork being lost, there is one person at a management level they can go to. That person is logging, inquiring, talking to the case manager, talking to the case manager's immediate supervisor, and following through to make sure that the complaint is addressed. At the same time they are looking for trends to see if there are particular case managers' unit supervisors that seem to generate more complaints than others, so that those issues can be addressed as well.

We designed, developed and implemented an Electronic Masters Report and Recommendation of Judgment (E-MROJ). Let me take a moment to explain why that is important and why I think that is significant to talk to you about this morning. The Electronic Masters Report and Recommendation of Judgment is basically the hearing master's recommendation to a judge to establish paternity, to establish a support order, and to establish arrears; all of the things you think of in terms of child support.

In Clark County it's a four or five-page document that we've been doing in NCR [no carbon required] paper, which is five pieces of paper. Bottom line is the only

legible copy of that document is the first page. The rest of them deteriorate in quality. The Electronic Masters Report and Recommendation of Judgment is a form which draws data out of NOMADS so that the case manager doesn't have to jump from page to page or screen to screen to locate that information. It is automatically pulled into the form. It's prepared and reviewed by the attorneys and electronically forwarded to the courts. The hearing masters have taken up typing because if they want to modify or add things, they now type that information into the form. An electronic signature of the NCP [noncustodial parent] is obtained in court, signs for it, and it is immediately printed. Eventually, it is electronically sent back to our office. We now have printed, typed, legible judgments which we can record with our county recorder's office.

[Robert Teuton, continued.] About a year ago our county recorder changed her processing and imaging system, which rendered it incapable of accepting any of our old judgments. There will be no issue now of our judgments getting recorded and of anybody— mortgage companies, future buyers of property— being able to understand exactly what the order entailed.

In the next phase of this program, when we get the E-MROJ back which contains the court findings, we'll be developing a program that will enable us to electronically scrape the data that goes into NOMADS out of the form and push it back into NOMADS. We're significantly decreasing the labor-intensive aspect of going to court and increasing the amount time the case managers have available to engage in other child support functions.

Finally, we negotiated the Interlocal Agreement with the State of Nevada, which is an agreement for the next four years to continue our relationship.

Next are planned changes for calendar year 2005. One of the things I'm looking at—as Mr. [Ben] Graham indicated I have 27 years with the office, and much of that in our criminal division—is reinstituting a criminal prosecution program in Clark County. Part of this is public relations driven, to let NCPs willfully behind in their child support payments know that it's not a free run, that there will be prosecution. Undoubtedly, we'll engage in diversion. We're not looking to put an NCP [noncustodial parent] in Nevada State Prison for not making child support, though if pushed we would have to do that. The idea here is that if the moral obligation to pay child support is not sufficient, if a court order is not sufficient to encourage an NCP to make child support payments, we are thinking that the possibility of imprisonment might be the trick.

Additionally, one of PSI's recommendations was that we should start instituting multi-state FIDM [financial institution data match] actions. Let me tell you what that is. Our automated programs match our NCP parents' names and Social

Security numbers with financial institutions' information concerning savings or checking accounts. We get periodic reports on that. Many of our NCPs have bank accounts, and many of our NCPs actually live in other states. In order for Nevada to call upon the resources of our sister state child support enforcement offices to go after those accounts, we would be required to agree to go after accounts in our state for cases that initiate in other states. Bottom line is, if we followed PSI's recommendation of pursuing multi-state FIDM actions, we would be bringing upon ourselves a horrific increase in cases that we're processing on behalf of our sister states. We didn't think that the cost-benefit analysis of that was particularly good for the state of Nevada.

[Robert Teuton, continued.] One of the things that we're pursuing in Clark County is using Marcum as a substitution for FIDM. Marcum is a notice that we're required to give targets of our grand jury that they are free to appear and present testimony if they so desire. We are of the belief that once we start generating the Marcum notice, or ultimately if that doesn't get their attention, notify them that there is a bench warrant or an arrest warrant in Clark County for their arrest, and if that doesn't get their attention, actually forwarding that information to the state that they reside in and physically extraditing them back to the State of Nevada, we'll do that. This isn't so much to punish those individuals as it is to let the public and the NCPs know that we do intend to enforce our orders and to enforce their moral obligation for child support.

We have created additional telephonic hearings. If we have people residing in different states that want a hearing and the NCP is in Utah, rather than physically having to come here, we can do it telephonically. We have increased the number of hearings. We've added specialized hearings for those NCPs who are in Nevada State Prison. We're working with Jackie Crawford. I've initiated discussions with Ms. Crawford to facilitate that process. By creating a specialized calendar, we remove those telephonic hearings off the normal telephonic hearing calendar. This frees up space on those calendars for other types of cases.

We're at a loggerhead in terms of increasing the number of court hearings that we have. Clark County has one courtroom. Although they have two child support hearing masters, they only have one courtroom available for those masters to sit. We've lost two or three hours per day of court time by not having a second courtroom available to use. We're working through that. We're also looking at creating specialized hearing calendars so that particular types of cases would all be heard at one time.

We're in the process of locating a computer, and we've identified high-level unit managers to staff it. We'll have a Child Support Enforcement unit manager

posted at our family court building Thursday afternoons, in conjunction with the Clark County self-help desk pro bono project. Thursday afternoons there are four attorneys who donate their time to the self-help center to assist clients in navigating through the family court process. We will have a unit manager there at the same time, physically located in the court clerk's section at a counter with access to NOMADS, to answer any questions that those individuals may have concerning child support, to facilitate their case processing if it's a case processing issue. That way this level of management can hear customer complaints that in some cases may be valid. They can come up with ideas of how to address those in the future.

[Robert Teuton, continued.] I noticed a press release this morning from Domestic Violence. The women's group stated, "What a shame it is, and how unfortunate it is, that victims of domestic violence are not getting timely child support." You might notice that my prepared testimony predates that press release. We have instituted a TPO [temporary protective order] interface with the TPO Force of Clark County. As you may or not be aware, those hearing masters that issue temporary orders have the authority for the extent of their order, to make a finding of paternity and to order child support.

Working with those masters in Clark County, they have agreed to schedule those cases where they are inclined to do that, on the same date, Thursday mornings. The victims of domestic violence who are custodial parents can come directly to our worker who is there on Thursday afternoons, immediately following court, to get any assistance they may need in navigating through a child support application and processing child support payments, so that we can expedite, to the degree possible, the actual receipt of child support payments by the victims of domestic violence.

I have initiated discussions with Jackie Crawford, Department of Corrections, to institute a prisoner release program so that when prisoners are released from Nevada State Prison, they are given a form to modify their child support. They would file the form with our court if they have an existing order and come into our courts. Our courts have an Employee Assistance Program so that they can order non-custodial parents who need employment to go through this training program provided by the State to get gainful employment.

They also have a Drug Court Program. If the individuals coming out of prison had substance abuse issues, they can be referred to and enter the Drug Court Program to monitor them. This assists the children in the receipt of child support payments and the custodial parents in receiving that money. It also assists the prisons by keeping these people willfully employed, rather than a life of crime in the future.

[Robert Teuton, continued.] We've instituted a philosophical shift from an enforcement modality to a nurturing modality. What I mean by that is the federal office of Child Support Enforcement publishes, about every five or six years, a five-year strategic plan. The plan that they published this year emphasized the necessity of matching a child support obligation with the ability of the NCP [non-custodial parent] to meet that obligation.

Historically, we have looked at child support as a "big stick." "We're going to strike you if you don't make your payments." A number of states, the country of Australia, and the Province of British Columbia [Canada] have shifted 180 degrees. If you want to get child support, it is better to help the NCP than to threaten the NCP with punishment. They look at ways to assist the NCP in getting employment and becoming a wage earner so that they can make the child support payments. There's the old adage that it's easier to attract bees with honey than it is with salt. Philosophically, we're looking at implementing that change in our office so that NCPs aren't viewed as our enemy, but we can work with them, rather than against them, on behalf of the child and the custodial parent.

We're engaged in best practice research. By going to the federal webpage we can see how other states are performing, to determine what states have performed well, and what they have done that enabled them to do that.

As I indicated earlier, we have made a budget request. We won't know until May if it's granted or not for 14 additional case manager staff. We've enhanced our relationship with the state central and state field offices. Recently the State has instituted a new intake program.

One of the issues, Mr. Chairman, that you alluded to was who does what in the system. Whenever an individual applies for assistance at the state office, a child support application is electronically submitted to our office through the NOMADS system. One of the historical problems has been that the application does not contain all the information we need in order to successfully pursue a child support case. We don't have the documentation. We have to wait for the mail for the documents to arrive in our office to process. Maybe Mr. Stagliano or Ms. Ford could go into this a little bit more because it's their shop and not ours, but it impacts us, that whole intake function at the state has been dramatically shifted, which will enable us to process cases faster and with accurate information.

Clark County is engaged in a space study again. I will be the DA's office point of contact for that. In Clark County I currently sit at 301 East Clark Avenue in downtown Las Vegas. The Family Court is at 601 North Pecos Road, a distance

of three miles. The types of clients we deal with don't know the difference. When I was physically located at the Family Court complex, I had people coming in asking for the Family Support Division, and when I'm at the Family Support Division, we have people coming in asking where the courts are. Although a distance of three miles, it's probably about three hours by public transportation. One of my goals, in my remaining three to six years of public employment, is to centralize all those functions in one location. To have the courts, the court clerks, DA, and family support all centrally located, so if there's an issue, the resolution is footsteps, not miles, away.

[Robert Teuton, continued.] I've given you some attachments ([Exhibit E](#)). The first attachment is in color. It reflects our fiscal year collections. These are state fiscal years from 1998 through the first six months of fiscal year 2005.

The second attachment is somewhat cumbersome to read. Our caseload is not a uniform caseload; every case is not the same. Our caseload is divided by those that we get from State Welfare: current assistance cases, which are people that have been on welfare in the past, former assistance cases, and people that have never been on welfare, the NA, or the never assistance. These show the caseloads throughout the country, 2000 and 2003, and the percentage changes. The far column on the right shows the addition or subtraction of full-time employees, each number representing one person.

I would like to point out that if you follow down the list on the left to the state of Nevada, between 2000 and 2003 our current assistance caseload increased by 88 percent. With the exception of South Dakota, which had a 100 percent increase from 3,000 to 6,000 cases, we were second in the country in the percentage increase in that caseload. I only point that out because the current assistance—these are the most difficult cases to work. These are the cases that come in, and the first thing we have to do in many of these cases is establish paternity. Once we get that established, we have to establish the support order, and then we have to locate, in this process, the NCP and locate wages from that NCP, to attach to effectuate a collection.

I'll just say that Nevada has been severely impacted by the events of 2001, as reflected in this period. In terms of total collections, it's a lot easier from the non-assistance, the people that had the attorneys to go to court and had the income to go to court, obtain their own divorce and child support. Those are people who have collectible money; they are wage earners. As the number of NA [never assistance] cases decreases in the caseload, and CA [current assistance] and FA [former assistance] cases increase, the more difficult a task it is for us to collect monies.

That concludes my prepared remarks.

Chairman Anderson:

Have you ever been to Hazen, Nevada? If you leave Fernley and you're on your way to Fallon, you drive through a tiny community with a gas station and a telephone booth. When I was a child, my brother and I used to go out there to spend the summer working with the rest of the family, picking up bales of hay and doing one thing or another. The population increased, because my brother and I were there, by a little over 60 percent. When I look at statistical information, as I've always told the students in my classes when they make comparisons about anything in Nevada, the reality is a function of numbers relative to ... When you live in a town with three people and two more people come to town, you've got a population explosion. Clark County, of course, has a population explosion and we're not talking about three people living in town.

Seventy percent of your workload of state statistics comes from you and from your agency, and we understand that. I guess when I look at the statistical information of a comparison of numbers, Nevada's number two in this area. I'm mindful of the fact that, of course, we've been the largest population increase in the United States for—it's doubled and doubled, and then doubled again. There are more people living in Washoe County currently than lived in the state of Nevada in the statistical year closest to my birth, so I recognize the function of numbers.

I know that your agency is working hard with computers. When you take ten people and put them into statistical work to make your agency more efficient, one would hope that those ten positions are going to be able to refocus on the real needs of children and families in the next go-around. I'm sure you're hopeful of that also, which brings us to the question of caseload.

I'm always real concerned about that. If I am about to adopt a child, or have adopted a child, or I fit into the system in some fashion, where I'm receiving help from the State in terms of paternity or child welfare payments of some sort from one of your agencies, and I'm living in Reno and move to Sparks, then the case manager doesn't stay with me because of the ZIP code change? It changes from one place to the other. I'm hearing that from people who are out there and are real concerned about how this operates. I would imagine there are several ZIP codes in Las Vegas, and if that's the case, I'm concerned.

Nancy Ford:

If it's a child support case, it's not going to change. It's Washoe County, so it's all Washoe County. If you're talking about child welfare cases, I don't do child welfare. That's the Division of Child and Family Services.

Chairman Anderson:

In some of the statistical breakdown of dollar payments, like TANF payments and locations, would you be moving them from place-to-place? Is it assigned solely upon ZIP code as to where the actual, is carried?

Gary Stagliano, Deputy Administrator, Field Operations and Programs, Welfare Division, Nevada Department of Human Resources:

Our child support population is handled differently than our public assistance population. For public assistance we have a large number of district offices out in the community, and we do break out the office responsibilities by ZIP code. Child support is more oriented towards county responsibilities.

Chairman Anderson:

So that I can understand the complaints, I guess I'll need a little more detail. Here I have some people in transitional housing because of the nature of their overall income. They could be moving from one side of the street to the other side of the street and cross from one ZIP code area to another, so they aren't going to have someone providing for them on a regular basis, a uniformity of the second part of this program. Would that be correct?

Gary Stagliano:

Again, in the public assistance population that could potentially happen. There still should be continuity of services because their eligibility wouldn't be impacted; we would just shift the case responsibilities.

Chairman Anderson:

In thinking back to Ms. Buckley's committee recommendations relative to Medicaid and Medicare, and trying to make sure that children are actually going to be serviced, I guess we focus on the child, and the agency focuses on ZIP code. It's partially because of the function of computers. I'm more concerned about what real services are reaching people than where they are statistically in the overall slide of things.

Nancy Ford:

Mr. Chairman, I would like to clarify one point. With Temporary Assistance to Needy Families, which is what we're talking about when we talk about ZIP codes, the only area where a ZIP code has an impact is in Clark County. If somebody moves from Reno to Sparks and changes zip codes, that's not going to change their case manager with welfare.

In Las Vegas we have five large offices, and if you move to a different ZIP code in Las Vegas Valley, your case may be shifted to a different district office, but that's not going to happen in Washoe County.

Chairman Anderson:

I can hardly wait to talk to somebody on a one-on-one basis to find out what the story is.

I've had more requests for public comment to come to this particular Committee issue than probably any other, and we're not dealing with a bill. We're just trying to raise the level of awareness of the Committee, because there are major concerns for people. The whole purpose of their press release was to make sure that we had an opportunity to see what some of the real issues could possibly be. In Clark County, since it's 70 percent of the animal on current child support, are we looking at a higher collection rate or not? Are we collecting a higher number? Not just the dollar number, because it's a function of more people being here, but when you factor in the fact that you have more cases that you've taken care of, are we really doing better?

Gary Stagliano:

Yes. If you look at some of the graphs provided to you—and I'm a little hesitant to say this, because you've already expressed your lack of appreciation for the statistical information—you will see our caseload increase over the last year, the last federal fiscal year, was approximately 6 percent, but our collection rose 10 percent. So we are making progress with the enrichment of tools Mr. Teuton spoke about, the financial interstate banking matches that we do, and things like that. The tools are becoming more available for us to effectuate collections on different cases. I believe that we'll continue to do that.

I think all the counties are very focused now on business processes improvements. Mr. Teuton went through a whole list of items that Clark County is undertaking. I really believe we are getting much better. Are we perfect? No. But I suggest that we are making continual strides to improve ourselves.

Chairman Anderson:

The Policy Studies, Inc. audit, done at the request of the Clark County District Attorney Family Support Division, identified areas of potential improvements which were pretty significant. I presume that the organizational and staffing questions are going to be there. I'm sure you've read this in greater detail and more times than I have. I made it through the executive summary and part of the information inside. I'm concerned about that potentially, because the "Child Support Program has made substantial progress in total child support collections in the last eight years: from \$40 million in 1995 to \$72 million in 2002," as quoted on page 5 ([Exhibit C](#)). The county performance is below average, however, in other major measures of performance, including at the bottom of this section on page 5, in collections on current child support. This really

concerns us. Why is Clark County performing so poorly, according to the Policy Studies, Inc. audit?

Robert Teuton:

There is a particular graph in that PSI report that is quite misleading. It's a graph that compares 1995 collections per case to current collections per case. To look at the graph you'd come to the conclusion that collections per case have gone down. The reason that is misleading is that they arrived at those figures by taking the total collections and dividing it by the total caseload. Our caseload is differentiated into cases in which we need to establish the support order, cases in which we first have to establish paternity and then establish a support order before we get to enforcement. It's the enforcement caseload that is critical in determining actual collections per case—what are your collections in those cases where collections are a possibility, and the PSI study did not do that. What they did is take gross figures of caseload.

Now, if you differentiated that you would look and say, "I don't have the answer to this question, but if we looked at our enforcement figures, number of cases in 2002, and compared it to the number of enforcement cases in 1995, and divided that figure into the gross collections, then we could compare apples with apples." But we don't know what the mix of our cases was, and neither did PSI for 1995 and 2002.

In 1995, Clark County processed cases that came to us, and the state PAO [program area office] did the identical process for TANF cases. In 2000 or 2001, 26,000 state cases were transferred to our office. I don't know what the revenue stream was on those cases at time of transfer. In terms of the gross number, that would negatively impact collections per case by adding 26,000 cases into that formula.

Chairman Anderson:

I appreciate that. Regarding the question in making the comparison with national, there has been an increased focus of attention on collections, and these, nationally. Every state, not just Nevada, is facing a similar rate, and problems of statistical gathering and enforcement—the twin parts of this—that is the accountability question—which has become the hallmark of government today—and the reality of whether services are actually reaching the people that need them. This is what we're really supposed to be about. I don't think Nevada is dramatically different in some of these regards than the rest of the states of the United States, who are facing similar sets of problems.

I'm concerned about, and you're correct we changed 26,000 cases statistically, moving from this point here to this point here and that is the Hazen example of

Bernie and his brother arriving to buck bales for the summer. I'm concerned that this increased throughout the country because they're also fixing this in, and, of course, it's a function of those numbers again. Statistically we may look great, but I'm not sure that we're doing the basic job. I don't think we're doing as well here as we should be.

Robert Teuton:

Mr. Chairman, I don't dispute that. There is always going to be room for improvement. My only point is, the people in the system—my level, mid-management, and individual case workers—are all dedicated individuals. We're all doing the best we can. We all want to do the best that we can.

There's a tendency, and I'll go out on a limb, that when something happens once a year, it's not a big issue. If it happened twice yesterday, it happens all the time. When the information you get about systems is based upon customer complaints, those complaints need to be put into perspective. Yes, we've had situations where people have made child support applications and they've been lost. That application was one of 16,000 pieces of mail we processed that day.

Half of our caseload comes from State Welfare so we're trying to enhance that electronic interface, so we take the customer, that whole delivery system, and the capacity to make mistakes out of the equation. So, that when documents are received at the Welfare Office, they go through an electronic system directly to the case manager in our office, enhancing individual accountability and speeding up services. I don't know what to say. I can't give you the figures that you want today. I can attempt to generate those figures, but all I can say is that we're doing the best we can in terms of improving processes.

Chairman Anderson:

You've made a quantum leap forward in this area. I recognize that, and I think members of this Committee recognize it also. Similarly, we recognize you have a quantum way to go.

Robert Teuton:

I share your vision of the future as well.

Assemblyman Horne:

I heard you say in your presentation that you couldn't get the percentages in Clark County on the paternity establishment, establishment orders, and distributed collections. You have Nevada here, third-highest, fourth-highest, eighth-highest percentage in those categories. You said you couldn't get Clark County?

Robert Teuton:

The data I provided in this text is state comparisons from the federal webpages, not an individual county comparison.

Assemblyman Horne:

It would seem important since Clark County is the huge gorilla.

Robert Teuton:

It can be obtained out of our local system.

Assemblyman Horne:

You don't have that with you today?

Robert Teuton:

No.

Assemblyman Horne:

I think it would be important to see the comparison with Clark County and the rest of the jurisdictions in Nevada on how well we're performing.

Robert Teuton:

We can provide that. I caution you on making those comparisons and let me tell you why. If you look at Exhibit I ([Exhibit D](#)) in Ms. [Nancy] Ford's presentation, it shows a differentiation of case responsibilities in the various counties. Clark County handles all the public assistance cases. To compare Clark County and Washoe County District Attorney's Office would be inappropriate, because Washoe County District Attorney does not handle public assistance cases. The Reno PAO office handles public assistance, so to get a comparison just between Washoe and Clark, you'd have to look at Clark's figures as a whole, and you'd have to add Washoe and the Reno PAO office together to get their performance figures. Does that make sense? We can get the figures, I just think they'll need some explanation if you try to make cross comparisons.

Assemblyman Horne:

We get money for meeting incentives, correct? And if we're leaving money on the table, wouldn't that help us determine where we're deficient, particularly in Clark County?

Robert Teuton:

I have no problem with Mr. Stagliano obtaining the information and providing it to you. We can make the judgments that need to be made once the information is gathered. I think we need to approach, as the Chair indicated, statistics cautiously.

Chairman Anderson:

Mr. Horne, I'd like to follow up here. Clark County is the 70 percent gorilla—in reality, maybe an 80 percent gorilla. If you extrapolated out the Clark County statistical numbers from the rest of the state statistical numbers, then we would be able to isolate that particular part of the overall discussion so that we could see the relationship. I realize the validity of the comparison is not necessarily functionally the same, because of the population question that is there, the income level difference, and the stability of population. I would imagine that there will be some anomalies as a result of that. We cannot assume that this is going up and, therefore, the rest of the state is going up on the same level of increase. Maybe that would be helpful to us, since we seem to be dealing in statistical areas here.

Assemblyman Horne:

There are quite a number of cases that are not currently under court order. Is that correct?

Robert Teuton:

Right. They are in various stages of trying to locate the NCP.

Assemblyman Horne:

I was curious on what you're doing. I've got figures of over 40,000 cases not currently under court order. I'd like to know what the Division is doing to bring those down.

Gary Stagliano:

We can provide you with those numbers when we do the county breakout of how each county lays out in all those areas. The orders established are what's remaining, the paternity establishment rates, and so on.

Assemblyman Horne:

You haven't disbursed these. How is this affecting the statistics in both the county and the state when you have so many cases that are not under court order?

Gary Stagliano:

I want to make sure you understand the terminology here. A collection might be achieved, but getting to a custodial parent and having them cash that warrant, until that occurs it's been distributed to collection, that's the federal measure. The state is taking some steps.

Later this year we're moving to electronic distribution of the payments on a debit card. We'll establish accounts for these custodians, and then we'll

distribute to those accounts. Once we make that distribution, the money will be their money and no longer our money. It won't be in our bank account any longer, and that will cure some of that. Some of that is just loss of contact from a custodian. Surprisingly, even though we have money on the table for them, we lose contact with them and can't find the individual to distribute the money. That's the real measure here. It isn't that we haven't gone out and effectively collected the money; we have. We just can't get it into their hands and get them to negotiate the warrant.

Chairman Anderson:

The debit card question has come up before, in terms of the practicality of this application for some of these individuals who may not be familiar with electronic devices and living in a paper world. In your field testing I presume you did field testing of the debit card. While it may be a great managerial function, is it being utilized by those people who are not used to this form of transfer, or are you having to spend more time in training to make sure those folks understand what they are getting in their hands, when there's nothing in it?

Gary Stagliano:

Yes, we have done some studies on that. We got real life experience when, if you remember a couple of years ago, we converted our food stamps population to the EBT [electronic benefit transfer] card. We were surprised because we'd heard a lot of concerns from elder groups, people that were low functioning, and had other issues with dealing with the cards. We really haven't experienced much problem. It's been surprisingly quiet for us.

There is an initial understanding for the client to understand how to obtain balances, how to know how to use the card, where it's available, and so on. It's been a good tool for us, with the exception of people who have a hard time retaining the cards. They still have the old food stamp coupon philosophy where at the end of the month when the benefits are gone, they throw the card away. When next month's is disseminated out there, they don't have the card to transact on. They have to come back in the office and get a new card. That's been the only real rub on that program.

Chairman Anderson:

Mr. Horne brought up the 45,000 caseload backload that we saw in the Policy Studies, Inc. audit that are currently without the court orders. They are not just in the paternity areas; they are in several other areas too. What is the Division doing to try and clean that up? Clark County, being the gorilla in this argument, for want of a better term—I'd be happy to substitute a better term if you'd like. Are you doing something to address this issue on a full-time basis?

Robert Teuton:

I'd need to look at the analysis. Presumably those 45,000 cases are in locate modality, which means we've got the application, and we're looking to find the NCP. The system goes through new-hire lists. There are multiple automatic interfaces to try to locate these people so we can provide them with service. We have a certain time period to actually effectuate service once the person is located.

Clark County is meeting federal standards 100 percent. For the state of Nevada, once the NCP is located, to serve them we're at 100 percent ratio, so the big issue is finding these people many of whom have multiple Social Security numbers, multiple names, and are on a cash basis. They are not in any of the data banks that we rely on to find people. It takes going out and interviewing neighbors, former employers, and things of that nature. Yes, we'll provide whatever information we can to give you as accurate a snapshot, of where we're at and how that issue is being addressed, as possible.

Chairman Anderson:

To say 100 percent is a scary thing. Based upon what it said here in the audit, the reliable data necessary to evaluate within the country, in meeting the federal performance standards in paternity establishment and child support orders, does not even seem to be available, or is not available to Policy Studies, Inc., who did the study. In part, I think you gave me a little bit of that answer in an earlier question, in terms of their comparison with 1995 materials to 1999 materials, and the additional cases that were added in there. Your last statement kind of worries me in terms of this audit report that says that paternity establishment and child support orders were not there and even available.

Robert Teuton:

Of those 40,000 cases that PSI reported without orders, I don't know if all 17,000 of the cases that we closed were included in that pool or someplace else. One of the things that troubled me about the PSI audit, and I came into child support 15 months ago with very little, if any, knowledge about federal requirements, state laws, and state and local policies and procedures, so I took the PSI audit at face value when I first read it. As I learned more, they have statements in there about Clark County and needs to develop management reports. We need to do this. We couldn't get this information from Clark County. They got their contract in January, and they had a final report in July. This is a pretty complex area to completely research and publish in a six-month time period. I don't know how accurate or thorough the report was.

We've taken their recommendations and we're implementing them, because intrinsically, they make sense. And to the extent that they've had to identify

problems in our office, and they felt that those recommendations would resolve those problems, it makes sense to do so. I just don't know what all they did. I don't know if they went to the state of Nevada, where they should have gone to get the individual county statistics out of the state system, or not.

Chairman Anderson:

Ms. Buckley.

Assemblywoman Buckley:

If you look at the report ([Exhibit C](#)), it says, "Overall, Clark County is performing below average on almost every measure of performance. When compared to seven states with caseloads of comparable size, Clark County ranks at or near the bottom on critical measures of performance, paternity establishment, order establishments, and collection on current support. The performance on these measures is indicative of a program that is seriously in need of improvement."

If you go to Chapter 2 on page 13 ([Exhibit F](#)), it says, "Collections per case for Clark County have not increased since 1996. On the other hand, collections per case have increased markedly for the United States as a whole during that same period." Clark County has not yet realized the potential of all the legislation we've passed under the Personal Responsibility Act [Personal Responsibility and Work Opportunity Reconciliation Act of 1996]—driver's licenses suspended, automated financial matches, and the like.

I understand that some people can't be found and some people are deadbeats, but they are in every other place in the United States, and still we don't do very well, and I feel like all I'm hearing are excuses. The two major measures to try and improve statistics in Clark County, closing cases and lowering the wage for noncustodial parents, so our stats go up, so we look better. I have a different idea. Why don't we just collect more child support? That way our statistics will go up too.

I know that you have a tremendous number of cases transferred from the State that were in a sad shape. I know that we have booming population and you don't have enough staff. But I also just get angered by "Oh, it's the consultant didn't get it." The fact is I go out to eat at a restaurant, and the waitress tells me she's working two jobs because she can't get child support. That's not an anecdote. That's reality. I think, collectively, we need to do something about it.

I don't know whether it's a statewide audit. I don't know whether there are any tools that we could adopt to make your jobs easier through legislation, but I just feel this complacency while children are being harmed everyday, because they don't have money coming in the door. That's what irritates me.

Chairman Anderson:

I have a disclaimer to put in here. Members of the Committee have not seen the full audit, I don't believe. We gave the executive summary. Chapter 2, page 13 is where Ms. Buckley was making her reference. There are those who read the full audit beforehand, and I'm still trying to work my way through it. Ms. Buckley has been doing so for some time.

Robert Teuton:

I apologize if my remarks have reflected complacency or reflected an attitude that we don't recognize that there's a problem. What we've done over the last 15 months, and what we plan on doing this year, I think, recognizes that there is a problem. I think the addition of 13 full-time staff and a request for 14 more, because staff does make those collections, is an attempt within our resources and within everybody's priorities, to address the issue to make the system better. However, I don't think there is one panacea, that if we do "this," it's going to work. These are 15, 20, or 30 different small steps in different areas, all addressed to do that.

The theory of the federal performance measures is that if you're meeting those measurements, then you are in fact providing good customer service. You and I know that's not true. Closing cases doesn't put money in the pocket of a custodial parent, but it brings more money into the state to bring in more case managers and case workers to do that. So it's two or three steps removed.

We couldn't ignore any of the recommendations in PSI, because they had different objectives all designed to strengthen the system. I don't think we've been complacent. I recognize, we all recognize, as you do as well, as this Committee does, that there is a problem, and we're all taking those steps we can to address the problem. Maybe we're not doing it as fast as people would like, but I don't know of anybody that is sitting back saying there isn't a problem at all.

Assemblyman Carpenter:

My first question would be to Nancy. I think last year Elko received some incentive monies for doing a good job. Last session we heard that, and I was wondering how they're doing now? If you have that information. You can give it to me later.

Nancy Ford:

It's my understanding, Assemblyman Carpenter that Elko continues to be one of the better performing counties in the state. Mr. Stagliano is checking to see if we have the incentive information for you.

Assemblyman Carpenter:

Maybe you can get that information, because I think that our present district attorney takes this very seriously and has made great strides. How do you close out a case when you're talking about closing cases out? Does that mean that if they paid for a number of years, or what happens?

Gary Stagliano:

There are a number of reasons why. I'll just give you some of them. The NCP is now deceased, so we close the case. The custodial parent has asked us for a "no longer to have service" on the case. We've lost contact with the custodian and have made numerous attempts and been unable to reach that individual, or if we don't have specific information to pursue a paternity when somebody comes in and says, "I met the individual and we had a brief relationship, but I don't have enough information for you to pursue the paternity establishment." I can provide you with a whole list of reasons why we would have the opportunity to close cases and the policy associated with it. It's not just immediately, "Mr. Teuton, you go out and close a case." There are steps set forth in the policy manual that we have to accomplish before that can actually be done, and they are audited for those kinds of things.

The point that is made here—I think there's a little bit of confusion—is performance incentives from the federal government differ than what we're really trying to do as business objectives. The outcomes are what the feds measure you on and award you dollars on. When Mr. Teuton goes out and closes all the cases, he does it for two principal reasons. One, if we really don't have the ability to work that case and it needs case closure criteria, it takes it out of the federal calculation, which gives us an opportunity to compete for more dollars. Second, and more importantly, if we really don't have any opportunity to collect on that case, we continue to spin that through a NOMADS cycle which keeps generating worker responsibilities on that case, if there is something to do. We keep relooking at that case, but the reality is we're depriving somebody else, where we do have an opportunity to collect the service of that worker.

I'm trying to focus on where we have the highest likelihood of collections. A lot of our cases just don't have sufficient information to do anything effectively, even with all the legislation, the enrichment, and the NOMADS tool that are at the disposal of the case manager.

Assemblyman Carpenter:

In reality, when the case is closed out, it's not closed out because they've been paying. It's because something else happened. I would have some concern if the district attorney in Elko said that he was going to try to coddle these people.

I can understand in certain situations you need to try to help these people to get a job, but there are so many of them out there that have a good job, have the means to pay, and are just deadbeats. In some instances you need to coddle them and be nice to them, but in many instances you need to take the big stick after them. That would help the amount of money that is being collected.

Chairman Anderson:

I want to make sure I understand the response that was given to Mr. Carpenter. If I were receiving, or entitled to receive, child support payments, and for whatever reason decided that I didn't want to pursue that person anymore, you would close the case?

Gary Stagliano:

The answer is yes, unless it's a public assistance case, in which case we'd pursue the TANF benefits that were previously paid to reimburse the state, but not the custodian's ongoing support obligation.

Chairman Anderson:

I'm a victim of domestic violence, and I'm fearful of a potential trail that might be created as a result of the exposure through the child payment program. Because of my anxiety over self-protection, I choose to, since I'm not getting any money anyway, terminate my involvement with your agency, which would probably be in my own best interest for security. Do you statistically lose track of me? I'm gone because I say I don't want it, when in reality I'm now left without.

We've got a double-edged sword here. The district attorney's responsibility and your responsibilities as an agency are somewhat at odds here. I know that we did some protection in terms of legislation last time, and we're not giving out that information anymore.

Gary Stagliano:

That's correct. I don't think the district attorney's office and the state are at odds at all. In fact, we follow the same statewide policy manual. Because Clark County is under contract with the State, they are obliged to follow those same rules and procedures that are set forth in that manual, so I don't think there are different approaches. They might accomplish the work in a different manner, but they have to play by a certain set of rules.

In regard to the domestic violence situation that you just described, if the custodian has submitted paperwork that says, "Please close my case," we'd honor that. If we knew there was domestic violence, we might counsel that individual on the protections that are offered. We have the confidential address

program and so on. But if they ultimately said, "Close my case," we'd be obliged to close their case.

Robert Teuton:

When the application comes into the office, there is a domestic violence question that's asked. If it's checked that it is, I would assume that if a domestic violence victim later chose to request to close the case, we would inquire as to the reasons and engage in counseling, if we could satisfy her security issue.

Chairman Anderson:

Once we've closed that case off, the difficulty then of reopening it becomes ...

Robert Teuton:

It's not a problem to reopen a closed case. The case doesn't go away; it's not deleted from the databases. It's in a non-enforcement status.

Chairman Anderson:

And the sharing of information from state to state, relative to our computer data systems with those other states, where people are coming in with protective orders and other kinds of enforcement questions. Since we have such a highly transient population in this state, statistically, I know in terms of education, that's true. I'm making the presumption that is true in your case management level also. But people are moving from Washoe County to Carson City to Douglas County and Fernley, and I presume in Clark County, you have people who are moving from Arizona, California, and Utah, in and out of your state. Are we able to make any kind of help for those kinds of folks, in terms of when they close their case file from California and come to Nevada, or when folks from Nevada leave here, having had a closed case, and then going to California? Do we share that information? The growing narrowness of the deadbeat dad is found, and these other kinds of people are there, and protection is provided, welfare, and the support programs. It's a complex web.

Gary Stagliano:

Yes, we do some sharing, but if you remember, part of the Personal Responsibility and Work Opportunity Reconciliation Act [of 1996] requires that we maintain a central registry, so all child support orders in the state of Nevada are recorded in there. That's the central place where we can go to see if there's an existing order that might aid another jurisdiction in pursuing child support.

Chairman Anderson:

Let me make two more notes regarding my view of the audit recommendations. The audit recommendations to increase collection of child support seemed

straightforward. Call instead of using mail to verify employment as quickly as possible, take advantage of the DMV [Department of Motor Vehicles] automated process for identifying parents who should receive warnings that they are in arrears, and using administration instead of judicial procedures for seizing money held by financial institutions. The Division seems a little slow in adopting some of these recommendations. Will you be moving a little faster to try and get us there? How do you perceive what is happening relative to the audit?

[Chairman Anderson, continued.] I want to commend Clark County for taking up the audit. Who wants to respond? Why has the Division been slow in moving in the direction which other jurisdictions have done already in terms of call instead of mail, the DMV, and administrative process, rather than a judicial process?

Gary Stagliano:

The tools exist, and there are different reasons why they have not been utilized. Clark County was heavily weighted into a legal process even though there were administrative remedies available. Since Bob's introduction in the program, he's taken a lot of steps to try to eliminate a lot of those obstacles and try to use the most expedient method to get to the finish line. It's not an immediate thing that happens in these programs. You have to move slowly and carefully, because everything you do ripples someplace else, but we are very focused statewide as the Division overseeing the Child Support Program. I will say that I've seen a very willing partner out of Mr. Teuton, to try and make the important business process changes.

We've already talked about a number of strategies to try and expedite the collection of child support, but it requires a lot of coordination and interaction between multiple parties to make sure that this is accomplished effectively. It's a slow moving target. We are now very aggressively starting to review cases and offices, and we're starting to initiate customer service surveys to determine their satisfaction with our performance.

We're trying to get to the worker level to find out if we're educating them correctly and can they make good decisions. Do we need to spend more time with them, educating them on the computer system or policy or procedures, and so on? I think we're making all the different strides. The reports two years ago—if you talked about what has been accomplished since that report, you'd see a number of milestones have been accomplished.

Chairman Anderson:

You've had the opportunity to read the full audit, I presume?

Gary Stagliano:

Yes, I have.

Chairman Anderson:

This is, of course, from Chapter 3, pages 10 and 11 of this audit ([Exhibit F](#)), which talks about how the county has not moved to support more administrative, and seems to be tied up in the legalistic questions, rather than let's get the job done, rather than how finely we can sand the block to fit the system.

The custodial parent wants, needs, and is entitled to support and help from the agency, and that's why the agency exists. I heard we were going to be adding, hopefully, 13 people to help with this, and we've used the equivalent of 10 full-time positions in gathering statistical data. I'm thinking, who is really helping the people who need it and do the job, not the statistical gathering. It looks good on paper.

Robert Teuton:

I'd like to respond to the 10 full-time employees. That wasn't a choice Clark County made; it was a choice that was made in Washington D.C., in terms of looking at our data and saying, "We're cutting you off. We're penalizing you; get your data correct." That is a holdover of years of history that there's no need to go into at this point, but it wasn't a choice designed to increase performance. It was something that was done because we had no other choice.

Chairman Anderson:

Any other information that you feel would be important for the Committee to have before we leave? I'm sure that we have some questions from members of the Committee. I don't know how many of you would like the full audit. I'll have Research develop a copy for everybody who would like to read this document. Does everybody want a copy? Ms. Combs will make the assumption that every member of the Committee would like a copy of the full audit.

We're going to be listening to some domestic violence issues, and we're going to be listening to some recommendations, and it's kind of an embarrassment that the Feds had to come out and tell us that if you don't clean up your act, we're not going to give you any more money.

Robert Teuton:

One final bit of information I'd like to add: I provided your secretary with my business cards, which have my email address on it. If any of you have any questions upon contemplation that you wish answered, feel free to send me an

email and I'll try to gather the information. If I can't, I'll tell you why I couldn't and see what we can get for you. I do believe the more open this discussion is, the more resources can be focused on resolving the issues that we've had in the past.

Chairman Anderson:

For your information, we generally do these things through our researcher so that you'll get a single series of questions, rather than have to respond to 80 different emails on one thing. Anybody else have any questions?

Ben Graham:

Anything from me to facilitate, we're here.

Chairman Anderson:

Mr. Graham represents the District Attorney's Association, who will answer or respond to any members of the Committee. [Meeting adjourned at 10:33 a.m.]

RESPECTFULLY SUBMITTED:

Jane Oliver
Committee Attaché

APPROVED BY:

Assemblyman Bernie Anderson, Chairman

DATE: _____

EXHIBITS

Committee Name: Judiciary

Date: February 10, 2005 **Time of Meeting:** 8:08 a.m.

Bill #	Exhibit ID	Witness	Dept.	Description
	A	Agenda		
	B	Assemblywoman Buckley		Legislative Committee on Children, Youth and Families
	C	Chairman Anderson		Executive Summary of Organizational Assessment of the Clark County, Nevada District Attorney's Family Support Division
	D	Nancy Ford, Administrator, Nevada Welfare Division		Nevada State Welfare Division Presentation
	E	Robert Teuton, Assistant District Attorney, Clark County District Attorney's Office		Child Support Enforcement Presentation
	F	Assemblywoman Buckley		Organizational Assessment of the Clark County, Nevada District Attorney's Family Support Division