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HOUSE BILL NO. 1602

Offered January 14, 2015

Prefiled January 8, 2015

A BILL to amend and reenact §§ 63.2-1923, 63.2-1924, and 63.2-1954 of the Code of Virginia, relating to proration of child support.

 Patron—Watts

 Referred to Committee on Health, Welfare and Institutions

Be it enacted by the General Assembly of Virginia:

1. That §§ 63.2-1923, 63.2-1924, and 63.2-1954 of the Code of Virginia are amended and reenacted as follows:

§ 63.2-1923. Immediate withholding from income; exception; notices required.

A. Every administrative support order directing a noncustodial parent to pay child or child and spousal support shall provide for immediate income withholding from the noncustodial parent's income as defined in § 63.2-1900 of an amount for current support plus an amount to be applied toward liquidation of arrearages, if any, unless the obligor and the Department, on behalf of the obligee, agree to a written alternative payment arrangement, or good cause is shown. Good cause shall be based upon a written determination that, and explanation by the Department of why, implementing immediate withholding would not be in the best interests of the child. The total amount withheld shall not exceed the maximum amount permitted under § 34-29.

B. The order shall include, but not be limited to, notice (i) of the amount that will be withheld, (ii) that the withholding applies to any current or subsequent period of employment, (iii) of the right to contest whether a duty of support is owed and the information specified in the administrative order is correct, (iv) that a written request to appeal the withholding shall be made to the Department within 10 days of receipt of the notice, and (v) of the actions that will be taken by the Department if an appeal is noted, which shall include the opportunity to present his objections to the administrative hearing officer at a hearing held pursuant to § 63.2-1942. Upon service of the order on the employer by first-class or certified mail, or service in accordance with the provisions of §§ 8.01-296, 8.01-327 or § 8.01-329, the employer shall deliver the order to the noncustodial parent. A copy shall be sent by first-class mail to the obligee.

C. The noncustodial parent's employer shall be issued by first-class or certified mail or by electronic means, including facsimile transmission, an administrative order for withholding of income which shall conform to § 20-79.3. The rights and responsibilities of an employer with respect to such orders are set out in § 20-79.3.

D. If the Department or its designee receives payments deducted from income of an obligor pursuant to more than one administrative order or a combination of judicial and administrative orders, the Department shall ensure that such payments are allocated among the obligees under such orders with priority given to payment of the order for current support. Where the Department or its designee receives payments pursuant to two or more orders for current support, the payments received shall be prorated on the basis of the amounts due under each such order. Upon satisfaction of any amounts due for current support, the remainder of the payments received shall be prorated on the basis of amount due under each such order. Upon satisfaction of any amounts due for current support, the remainder of the payments received shall be prorated on the basis of amounts due under any orders for accrued arrearages.

E. Administrative orders for withholding from income shall be promptly terminated or modified by the Department when (i) the obligation to support has been satisfied and arrearages have been paid, (ii) the whereabouts of the child or child and custodial parent become unknown, or (iii) modification is appropriate because of a change in the amount of the obligation.

§ 63.2-1924. Withholding from income; default of administrative or judicial support order; notices required; priorities; orders from other states.

A. As part of every administrative support order directing a noncustodial parent to pay child or child and spousal support or by separate order at any time thereafter, provision shall be made for withholding from the income of the noncustodial parent the amount of the withholding order plus an amount to be applied toward liquidation of arrearages if the noncustodial parent fails to make payments in an amount equal to the support payable for one month. The total amount withheld shall not exceed the maximum amount permitted under § 34-29.

B. Upon default of an administrative or judicial support order, the Department shall serve notice on

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59 the noncustodial parent of the delinquency in accordance with the provisions of §§ 8.01-296, 8.01-327 or
60 § 8.01-329 or by certified mail or electronic means, including facsimile transmission, for delivery to the
61 noncustodial parent. The obligee shall also be sent a copy of such notice. The notice shall inform the
62 noncustodial parent (i) of the amount that will be withheld, (ii) that the withholding applies to any
63 current or subsequent period of employment, (iii) of the right to contest but that the only basis for
64 contesting the withholding is a mistake of fact, (iv) that a written request to contest the withholding
65 must be made to the Department within 10 days of receipt of the notice, (v) of the actions that will be
66 taken by the Department if a request to contest is noted, which shall include the opportunity to present
67 his objections, which shall be limited to a mistake of fact, to the administrative hearing officer at a
68 hearing held pursuant to § 63.2-1942, (vi) that a determination on the contest will be made no later than
69 45 days from the date of service of such notice, and (vii) that payment of overdue support upon receipt
70 of the required notice shall not be a bar to the implementation of withholding. Upon service of the
71 notice on the employer for delivery to the obligor, a copy shall be sent by first-class mail to the obligee.

72 C. The noncustodial parent's employer shall be issued by first-class or certified mail or by electronic
73 means, including facsimile transmission, an administrative order for withholding of income that shall
74 conform to § 20-79.3. The rights and responsibilities of an employer with respect to such orders are set
75 out in § 20-79.3.

76 D. The Department shall have the authority in the issuance of an administrative order under
77 § 20-79.3, based on an existing court order, to convert the terms of payment to conform with the
78 obligor's pay period interval. The Department shall utilize the conversion formula established by the
79 Committee on District Courts.

80 E. If the Department or its designee receives payments deducted from income of an obligor pursuant
81 to more than one administrative order or a combination of judicial and administrative orders, the
82 Department shall ensure that such payments are allocated among the obligees under such orders with
83 priority given to payment of the order for current support. Where the Department or its designee
84 receives payments pursuant to two or more orders for current support, the payments received shall be
85 prorated on the basis of the amounts due under each such order. Upon satisfaction of any amounts due
86 for current support, the remainder of the payments received shall be prorated on the basis of amounts
87 due under each such order. Upon satisfaction of any amounts due for current support, the remainder of
88 the payments received shall be prorated on the basis of amounts due under any orders for accrued
89 arrearages.

90 F. Administrative orders for withholding from income shall be promptly terminated or modified by
91 the Department when (i) the obligation to support has been satisfied and arrearages have been paid, (ii)
92 the whereabouts of the child or child and custodial parent become unknown, or (iii) modification is
93 appropriate because of a change in the amount of the obligation.

94 G. F. If a court of competent jurisdiction or the agency operating pursuant to an approved state plan
95 under Sections 452 and 454 of the Social Security Act, as amended, in any state, territory of the United
96 States or the District of Columbia has ordered a person to pay child or child and spousal support, upon
97 notice and hearing as provided in this section, the Department shall issue an order, conforming to
98 § 20-79.3, to the noncustodial parent's employer in this Commonwealth to withhold from the income of
99 the noncustodial parent pursuant to a foreign support order in the same manner as provided in this
100 section for administrative orders originating in this Commonwealth. Similar orders of the Department
101 may be enforced in a similar manner in such other state, territory or district.

102 **§ 63.2-1954. Distribution of collection.**

103 Support payments received by the Department or the Department's designee shall be prorated among
104 the obligees based upon the current amounts due pursuant to more than one judicial or administrative
105 order, or a combination thereof, with any remaining amounts prorated among the obligees with orders
106 for accrued arrearages in the same proration as the current support payments. *Support payments received
107 by the Department pursuant to one or more judicial or administrative orders, or a combination thereof,
108 shall be allocated among the obligees under such orders with priority given to payment of the order for
109 current support. Where payments are received pursuant to two or more orders for current support, the
110 Department shall prorate the payments on the basis of any amounts due for current support under each
111 such order. Upon satisfaction of any amounts due for current support, the Department shall prorate the
112 remainder of the payments on the basis of accrued arrearages owed to the obligees under each such
113 order. Payments received pursuant to federal tax refund offset shall be allocated pursuant to subsection
114 h of 45 C.F.R. 303.72.*

115 All support payments received by the Department or the Department's designee shall be distributed to
116 the obligee within two business days of receipt, provided that sufficient information accompanies the
117 payment or is otherwise available to the Department within that time to identify the obligee and the
118 place to which distribution should be made. The term "business day" means any day that is not a
119 Saturday, Sunday, legal holiday or other day on which state offices are closed.