

1 S.69

2 Introduced by Senator Sears

3 Referred to Committee on

4 Date:

5 Subject: Human services; Office of Child Support

6 Statement of purpose of bill as introduced: This bill proposes to repeal

7 Vermont law that contradicts federal law that requires an employer to comply

8 with a wage withholding order from another jurisdiction by distributing the

9 funds in accordance with the order.

10 An act relating to an employer's compliance with an income withholding
11 order from another state

12 It is hereby enacted by the General Assembly of the State of Vermont:

13 Sec. 1. 33 V.S.A. § 4103 is amended to read:

14 § 4103. REGISTRY

15 (a) The Office of Child Support shall establish a registry for the following
16 purposes:

17 (1) Processing child support collections and disbursements.

18 (2) Maintaining records necessary for the receipt and disbursement of
19 child support, including information on support orders and support arrearages,
20 with the date and amount due and the date and amount paid by the obligor and

1 the date and amount disbursed; identifying information about both parents,
2 including the name, address, Social Security number, and employment
3 information; names and dates of birth of children.

4 (3) Providing a record of their support collections and disbursements to
5 obligors and obligees.

6 (4) Notifying employers in cases involving wage withholding of the
7 amounts to be withheld for support, the amount of income exempt from
8 withholding, and the dates for beginning, reducing, increasing, and terminating
9 withholding pursuant to the terms of the support order. The Office shall
10 accommodate employer withholdings based upon the employer's payroll period
11 and shall provide return envelopes to the employer for sending the payment to
12 the Office.

13 (5) Maintaining and providing any other information as required by law.

14 (b) All orders for child support subject to wage withholding shall require
15 that payment be made through the ~~registry~~ Registry and shall be deemed IV-D
16 cases. All orders for child support not subject to wage withholding made or
17 modified on or after July 1, 1990 shall require that payment be made through
18 the Registry as a IV-D case unless the parties have agreed that the obligor will
19 pay the obligee directly.

20 (c) In the case where neither parent requests services under Title IV-D of
21 the Social Security Act or where the case is not a IV-D case by operation of

1 law, the Office of Child Support services may recover the administrative costs
2 of processing payments through the Child Support Registry, not to exceed an
3 administrative fee of \$5.00 per month. The Family Division of the Superior
4 Court shall increase the monthly support obligation to take the administrative
5 cost into account unless the noncustodial parent is below the federal poverty
6 level. The Office of Child Support services shall deduct the cost from the first
7 payment received each month. Fees collected under this subsection shall be
8 credited to a special fund and shall be available to the Office of Child Support
9 services to offset the costs of its administrative services.

10 ~~(d) An employer who is required to withhold wages for child support under~~
11 ~~Title 15B (UIFSA) may designate the Office of Child Support as its payment~~
12 ~~agent and forward withheld wages to the Office of Child Support instead of to~~
13 ~~the out-of-state jurisdiction provided that the payments are received by the~~
14 ~~Office within five working days after wages are withheld. [Repealed.]~~

15 Sec. 2. EFFECTIVE DATE

16 This act shall take effect on July 1, 2017.