

LEGISLATURE OF NEBRASKA
ONE HUNDREDTH LEGISLATURE
SECOND SESSION
LEGISLATIVE BILL 620

FINAL READING

Introduced by Pirsch, 4.

Read first time January 17, 2007

Committee: Judiciary

A BILL

1 FOR AN ACT relating to debt collection; to amend section
2 43-3342.03, Revised Statutes Cumulative Supplement,
3 2006; to change provisions relating to collection and
4 disbursement of child support by the State Disbursement
5 Unit and collection of debt by state agencies; to provide
6 for fees; to create a fund; and to repeal the original
7 section.

8 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 43-3342.03, Revised Statutes
2 Cumulative Supplement, 2006, is amended to read:

3 43-3342.03 (1) All support orders shall direct payment
4 of support as provided in section 42-369. Any support order
5 issued prior to the date that the State Disbursement Unit becomes
6 operative for which the payment is to be made to the clerk of
7 the district court shall be deemed to require payment to the State
8 Disbursement Unit after a notice to the obligor is issued.

9 (2) The unit may collect a fee equal to the actual cost
10 of processing any payments for returned check charges or charges
11 for electronic payments not accepted, except that the fee shall not
12 exceed thirty dollars. After a payor has originated two payments
13 resulting in returned check charges or charges for electronic
14 payments not accepted within a period of two years, the unit may
15 issue a notice to the originator that, for the following year,
16 any payment shall be required to be paid by money order, cashier's
17 check, or certified check. After a payor has originated ~~three~~ two
18 payments resulting in returned check charges or electronic payments
19 not accepted, the unit may issue a notice to the originator that
20 all future payments shall be paid by money order, cashier's check,
21 or certified check, except that pursuant to rule and regulation
22 and at least two years after such issuance of notice, the unit
23 may waive for good cause shown such requirements for methods of
24 payment. The fees shall be remitted to the State Treasurer for
25 credit to the State Disbursement Unit Cash Fund, which is hereby

1 created, which funds shall be used to offset the expenses incurred
2 in the collection of child support bad debt. Any money in the fund
3 available for investment shall be invested by the state investment
4 officer pursuant to the Nebraska Capital Expansion Act and the
5 Nebraska State Funds Investment Act.

6 (3) The State Disbursement Unit shall use automated
7 procedures, electronic processes, and computer-driven technology
8 to the maximum extent feasible, efficient, and economical for the
9 collection and disbursement of support payments.

10 (4) Employers with more than fifty employees who have
11 an employee with a child support order shall remit child support
12 payments electronically.

13 Sec. 2. (1) The State Treasurer, with state agency
14 approval, may electronically collect a bad debt and a fee from
15 a debtor of the state agency equal to the cost of processing
16 any payments for returned check charges or charges for electronic
17 payments not accepted, except that the fee shall not exceed
18 thirty dollars. The fee shall be remitted to the State Treasurer
19 Administrative Fund.

20 (2) After the payor has originated two bad debt payments
21 to a state agency in a period of one year, the state agency may
22 refuse to accept future payments by check and may require a money
23 order, cash, a cashier's check, or a certified check for payment.

24 Sec. 3. Original section 43-3342.03, Revised Statutes
25 Cumulative Supplement, 2006, is repealed.