

LEGISLATIVE BILL 620

Approved by the Governor March 10, 2008

Introduced by Pirsch, 4.

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

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

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

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

(2) The unit may collect a fee equal to the actual cost of processing any payments for returned check charges or charges for electronic payments not accepted, except that the fee shall not exceed thirty dollars. After a payor has originated two payments resulting in returned check charges or charges for electronic payments not accepted within a period of two years, the unit may issue a notice to the originator that, for the following year, any payment shall be required to be paid by money order, cashier's check, or certified check. After a payor has originated ~~three~~ two payments resulting in returned check charges or electronic payments not accepted, the unit may issue a notice to the originator that all future payments shall be paid by money order, cashier's check, or certified check, except that pursuant to rule and regulation and at least two years after such issuance of notice, the unit may waive for good cause shown such requirements for methods of payment. The fees shall be remitted to the State Treasurer for credit to the State Disbursement Unit Cash Fund, which is hereby created, which funds shall be used to offset the expenses incurred in the collection of child support bad debt. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

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

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

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

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

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