

**ONE HUNDRED FIRST LEGISLATURE - FIRST SESSION - 2009**  
**COMMITTEE STATEMENT**  
**LB199**

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**Hearing Date:** Wednesday March 04, 2009  
**Committee On:** Judiciary  
**Introducer:** Stuthman  
**One Liner:** Change provisions relating to court support orders and collection of such support

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**Roll Call Vote - Final Committee Action:**  
Advanced to General File with amendment(s)

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**Vote Results:**  
**Aye:** 8 Senators Ashford, Christensen, Coash, Council, Lathrop, Lautenbaugh, McGill, Rogert  
**Nay:**  
**Absent:**  
**Present Not Voting:**

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**Proponents:**  
Sen. Arnie Stuthman  
Todd Landry

**Representing:**  
Introducer  
DHHS

**Opponents:**  
Chris Johnson  
Robert Watson  
Amie Martinez

**Representing:**  
self  
Nebraskans for Family  
NSBA

**Neutral:**

**Representing:**

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**Summary of purpose and/or changes:**

Legislative Bill 199 amends several sections of statute related to child and medical support requirements. Certain changes proposed in LB 199 are needed to comply with a federal mandate in order to avoid losing federal funding for child support enforcement.

The bill would amend Section 48-2302 to amend the New Hire Reporting Act to add independent contractor to the definition of employee. This change would allow for the reporting of individuals that take new employment as independent contractors and have child support obligations. Once these individuals are identified, an income withholding notice can be generated to their employer and child support can be collected from each paycheck.

The bill would amend Section 77-27,166 to allow for the continuous submittal of past due support amounts to the Department of Revenue. Under current law, the information is reported once yearly.

The bill would amend Section 42-358.02 to provide that interest on spousal support and medical support payments accrue after a 30-day grace period rather than beginning the day after it is due. The 30-day grace period brings spousal and medical support interest accrual into conformity with how interest is accrued in child support cases.

The bill would amend Section 43-512.07 to provide that only the support payments that become due during the time period in which the individual receives public assistance is assignable to the state. This change is needed to comply

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with a federal mandate. Currently, an individual applying for and accepting public assistance assigns all court-ordered child, spousal or other support arrears and any additional support that becomes due while receiving public assistance to the state.

The bill would amend Section 42-369 to establish and enforce medical support obligations in cases where health care coverage is not available or not accessible. This change is needed to comply with a federal mandate. Cash medical support must be ordered in cases where health care coverage is either unavailable or inaccessible. Cash medical support or the cost of private health insurance is considered reasonable in cost if the cost to the parent responsible for providing it does not exceed 5% of his or her gross income.

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**Explanation of amendments:**

Committee Amendment AM 1213 would amend the bill to add cash medical support to Section 42-364 to ensure the money is used on behalf of the children for which it was ordered. The amendment would narrow the standard for accessibility to health care coverage from 60 miles or 60 minutes to 30 miles or 30 minutes. The administrative agency, court or other tribunal would have the discretion to order longer travel times where necessary to accommodate rural Nebraskans. The amendment would require cash medical support payments in situations where health care coverage is either not available at a reasonable cost or is inaccessible to the children, and where one or more of the parties are receiving Title IV-D services. The original LB 199 required cash medical payments to be ordered in both IV-D and non IV-D cases. Under AM 1213, cash medical support or the cost of health care coverage will be considered reasonable in cost if the cost to the party providing the support does not exceed 3% of his or her gross income. The amendment also provides that cash medical support shall not be ordered if such expense would reduce the responsible party's net income below the basic subsistence limitation provided in Nebraska's Child Support Guidelines.

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Brad Ashford, Chairperson