

LEGISLATURE OF NEBRASKA  
ONE HUNDRED FIFTH LEGISLATURE  
SECOND SESSION

**LEGISLATIVE BILL 702**

Introduced by Kolterman, 24.

Read first time January 03, 2018

Committee: Health and Human Services

1 A BILL FOR AN ACT relating to children; to amend sections 42-369,  
2 43-512.15, and 44-3,144, Reissue Revised Statutes of Nebraska; to  
3 change provisions relating to children's health care coverage; to  
4 change provisions relating to Nebraska IV-D child support program  
5 modification procedures; to redefine a term; to harmonize  
6 provisions; and to repeal the original sections.

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

1 Section 1. Section 42-369, Reissue Revised Statutes of Nebraska, is  
2 amended to read:

3 42-369 (1) All orders, decrees, or judgments for temporary or  
4 permanent support payments, including child, spousal, or medical support,  
5 and all orders, decrees, or judgments for alimony or modification of  
6 support payments or alimony shall direct the payment of such sums to be  
7 made commencing on the first day of each month for the use of the persons  
8 for whom the support payments or alimony have been awarded. Such payments  
9 shall be made to the clerk of the district court (a) when the order,  
10 decree, or judgment is for spousal support, alimony, or maintenance  
11 support and the order, decree, or judgment does not also provide for  
12 child support, and (b) when the payment constitutes child care or day  
13 care expenses, unless payments under subdivision (1)(a) or (1)(b) of this  
14 section are ordered to be made directly to the obligee. All other support  
15 order payments shall be made to the State Disbursement Unit. In all cases  
16 in which income withholding has been implemented pursuant to the Income  
17 Withholding for Child Support Act or sections 42-364.01 to 42-364.14,  
18 support order payments shall be made to the State Disbursement Unit. The  
19 court may order such payment to be in cash or guaranteed funds.

20 (2)(a) If the party against whom an order, decree, or judgment for  
21 child support is entered or the custodial party has health care coverage  
22 ~~insurance~~ available to him or her through an employer, organization, or  
23 other health care coverage ~~insurance~~ entity which may extend to cover any  
24 children affected by the order, decree, or judgment and the health care  
25 coverage is accessible to the children and is available to the  
26 responsible party at reasonable cost, the court shall require health care  
27 coverage to be provided. Health care coverage is accessible if the  
28 covered children can obtain services from a plan provider with reasonable  
29 effort by the custodial party. When the administrative agency, court, or  
30 other tribunal determines that the only health care coverage option  
31 available through the noncustodial party is a plan that limits service

1 coverage to providers within a defined geographic area, the  
2 administrative agency, court, or other tribunal shall determine whether  
3 the child lives within the plan's service area. If the child does not  
4 live within the plan's service area, the administrative agency, court, or  
5 other tribunal shall determine whether the plan has a reciprocal  
6 agreement that permits the child to receive coverage at no greater cost  
7 than if the child resided in the plan's service area. The administrative  
8 agency, court, or other tribunal shall also determine if primary care is  
9 available within thirty minutes or thirty miles of the child's residence.  
10 For the purpose of determining the accessibility of health care coverage,  
11 the administrative agency, court, or other tribunal may determine and  
12 include in an order that longer travel times are permissible if  
13 residents, in part or all of the service area, customarily travel  
14 distances farther than thirty minutes or thirty miles. If primary care  
15 services are not available within these constraints, the health care  
16 coverage is presumed inaccessible. If health care coverage is not  
17 available or is inaccessible and one or more of the parties are receiving  
18 Title IV-D services, then cash medical support shall be ordered. Cash  
19 medical support or the cost of health care coverage ~~private health~~  
20 ~~insurance~~ is considered reasonable in cost if the cost to the party  
21 responsible for providing medical support does not exceed three percent  
22 of his or her gross income. In applying the three-percent standard, the  
23 cost is the cost of adding the children to existing health care coverage  
24 or the difference between self-only and family health care coverage. Cash  
25 medical support payments shall not be ordered if, at the time that the  
26 order is issued or modified, the responsible party's income is or such  
27 expense would reduce the responsible party's net income below the basic  
28 subsistence limitation provided in Nebraska Court Rule section 4-218. If  
29 such rule does not describe a basic subsistence limitation, the  
30 responsible party's net income shall not be reduced below nine hundred  
31 three dollars net monthly income for one person or below the poverty

1 guidelines updated annually in the Federal Register by the United States  
2 Department of Health and Human Services under the authority of 42 U.S.C.  
3 9902(2).

4 (b) For purposes of this section:

5 (i) Health care coverage has the same meaning as in section  
6 44-3,144; and

7 (ii) Cash medical support means an amount ordered to be paid toward  
8 the cost of health care coverage insurance provided by a public entity or  
9 by another parent through employment or otherwise or for other medical  
10 costs not covered by insurance or other health care coverage.

11 (3) A support order, decree, or judgment may include the providing  
12 of necessary shelter, food, clothing, care, medical support as defined in  
13 section 43-512, medical attention, expenses of confinement, education  
14 expenses, funeral expenses, and any other expense the court may deem  
15 reasonable and necessary.

16 (4) Orders, decrees, and judgments for temporary or permanent  
17 support or alimony shall be filed with the clerk of the district court  
18 and have the force and effect of judgments when entered. The clerk and  
19 the State Disbursement Unit shall disburse all payments received as  
20 directed by the court and as provided in sections 42-358.02 and  
21 43-512.07. Records shall be kept of all funds received and disbursed by  
22 the clerk and the unit and shall be open to inspection by the parties and  
23 their attorneys.

24 (5) Unless otherwise specified by the court, an equal and  
25 proportionate share of any child support awarded shall be presumed to be  
26 payable on behalf of each child subject to the order, decree, or judgment  
27 for purposes of an assignment under section 43-512.07.

28 Sec. 2. Section 43-512.15, Reissue Revised Statutes of Nebraska, is  
29 amended to read:

30 43-512.15 (1) The county attorney or authorized attorney, upon  
31 referral from the Department of Health and Human Services, shall file a

1 complaint to modify a child support order unless the attorney determines  
2 in the exercise of independent professional judgment that:

3 (a) The variation from the Supreme Court child support guidelines  
4 pursuant to section 42-364.16 is based on material misrepresentation of  
5 fact concerning any financial information submitted to the attorney;

6 (b) The variation from the guidelines is due to a voluntary  
7 reduction in net monthly income. For purposes of this section, a person  
8 who has been incarcerated for a period of one hundred eighty days year or  
9 more in a county or city jail or a federal or state correctional facility  
10 shall be considered to have an involuntary reduction of income ~~unless (i)~~  
11 ~~the incarceration is a result of a conviction for criminal nonsupport~~  
12 ~~pursuant to section 28-706 or a conviction for a violation of any federal~~  
13 ~~law or law of another state substantially similar to section 28-706, (ii)~~  
14 ~~the incarcerated individual has a documented record of willfully failing~~  
15 ~~or neglecting to provide proper support which he or she knew or~~  
16 ~~reasonably should have known he or she was legally obligated to provide~~  
17 ~~when he or she had sufficient resources to provide such support, or (iii)~~  
18 ~~the incarceration is a result of a conviction for a crime in which the~~  
19 ~~child who is the subject of the child support order was victimized; or~~

20 (c) When the amount of the order is considered with all the other  
21 undisputed facts in the case, no variation from the criteria set forth in  
22 subdivisions (1)(a) and (b) of section 43-512.12 exists.

23 ~~(2) The department, a county attorney, or an authorized attorney~~  
24 ~~shall not in any case be responsible for reviewing or filing an~~  
25 ~~application to modify child support for individuals incarcerated as~~  
26 ~~described in subdivision (1)(b) of this section.~~

27 (2) ~~(3)~~ The proceedings to modify a child support order shall comply  
28 with section 42-364, and the county attorney or authorized attorney shall  
29 represent the state in the proceedings.

30 (3) ~~(4)~~ After a complaint to modify a child support order is filed,  
31 any party may choose to be represented personally by private counsel. Any

1 party who retains private counsel shall so notify the county attorney or  
2 authorized attorney in writing.

3 Sec. 3. Section 44-3,144, Reissue Revised Statutes of Nebraska, is  
4 amended to read:

5 44-3,144 For purposes of sections 44-3,144 to 44-3,150:

6 (1) Authorized attorney has the same meaning as in section 43-512;

7 (2) Child means an individual to whom or on whose behalf a legal  
8 duty of support is owed by an obligor;

9 (3) Department means the Department of Health and Human Services;

10 (4) Employer means an individual, a firm, a partnership, a  
11 corporation, an association, a union, a political subdivision, a state  
12 agency, or any agent thereof who pays income to an obligor on a periodic  
13 basis and has or provides health care coverage to the obligor-employee;

14 (5) Health care coverage means a health benefit plan or combination  
15 of plans, including fee for service, health maintenance organization,  
16 preferred provider organization, and other types of coverage available to  
17 either party, under which medical services could be provided to dependent  
18 children, ~~other than public medical assistance programs,~~ that provide  
19 medical care or benefits;

20 (6) Insurer means an insurer as defined in section 44-103 offering a  
21 group health plan as defined in 29 U.S.C. 1167, as such section existed  
22 on January 1, 2002;

23 (7) Medical support means the provision of health care coverage,  
24 contribution to the cost of health care coverage, contribution to  
25 expenses associated with the birth of a child, other uninsured medical  
26 expenses of a child, or any combination thereof;

27 (8) Medical assistance program means the program established  
28 pursuant to the Medical Assistance Act;

29 (9) National medical support notice means a uniform administrative  
30 notice issued by the county attorney, authorized attorney, or department  
31 to enforce the medical support provisions of a support order;

1 (10) Obligee has the same meaning as in section 43-3341;

2 (11) Obligor has the same meaning as in section 43-3341;

3 (12) Plan administrator means the person or entity that administers  
4 health care coverage for an employer;

5 (13) Qualified medical child support order means an order that meets  
6 the requirements of 29 U.S.C. 1169, as such section existed on January 1,  
7 2002; and

8 (14) Uninsured medical expenses means the reasonable and necessary  
9 health-related expenses that are not paid by health care coverage.

10 Sec. 4. Original sections 42-369, 43-512.15, and 44-3,144, Reissue  
11 Revised Statutes of Nebraska, are repealed.