

LEGISLATIVE BILL 637

Approved by the Governor May 26, 1999

Introduced by Brown, 6; Beutler, 28; Jensen, 20; Wehrbein, 2

AN ACT relating to child support; to define terms; to create a State Disbursement Unit; to provide for a study; to provide for reimbursement of certain costs; to require use of a statewide system for support orders; to create a fund; to provide for rules and regulations; and to declare an emergency.

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

Section 1. For purposes of sections 1 to 7 of this act:

(1) Business day means a day on which state offices are open for regular business;

(2) Child support has the same meaning as found in section 43-1705;

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

(4) Medical support has the same meaning as found in section 43-512;

(5) Obligee means a person to whom a duty of support is owed pursuant to a support order;

(6) Obligor means a person who owes a duty of support pursuant to a support order;

(7) Spousal support has the same meaning as found in section 43-1715;

(8) State Disbursement Unit means the unit established in section 2 of this act;

(9) Support has the same meaning as found in section 43-3313;

(10) Support order has the same meaning as found in section 43-1717;

and

(11) Title IV-D Division means the Title IV-D Division of the department.

Sec. 2. There is hereby created a State Disbursement Unit, pursuant to 42 U.S.C. 654b, for the statewide collection and disbursement of support order payments. The State Disbursement Unit shall be administered and operated directly by a public or private entity or state officer as designated by the Title IV-D Division. The designation shall be subject to confirmation by a majority of the members of the Legislature. The entity or officer as designated shall be directly responsible to the Title IV-D Division.

Sec. 3. The Executive Board of the Legislative Council shall oversee a study to determine a method by which the State of Nebraska can comply with the federal requirements regarding the collection and disbursement of support order payments. The Executive Board shall select the person or group to conduct the study. The study shall determine a method which complies with federal law most effectively and efficiently while retaining the high enforcement rates and superior customer service which characterize the present Nebraska support collection and disbursement system. The study shall not delay implementation of wage withholding procedures.

Sec. 4. Until the State Disbursement Unit established in section 2 of this act becomes operative, the Title IV-D Division shall reimburse counties for unrecovered costs associated with the processing and disbursement of support order payments based upon insufficient funds checks received from obligors. Support order payments shall be disbursed within two business days after receipt.

Sec. 5. For purposes of the establishment, modification, or enforcement of a support order, all district courts shall utilize the Title IV-D Division's statewide automated data processing and information retrieval system. The Title IV-D Division may withhold IV-D funds from any county whose district court is not in compliance with this section.

Sec. 6. The Title IV-D Support Payment Cash Fund is created. The fund shall be used for the collection and disbursement of support payments as provided in sections 1 to 7 of this act.

Sec. 7. The Title IV-D Division shall adopt and promulgate rules and regulations to carry out sections 1 to 7 of this act.

Sec. 8. Since an emergency exists, this act takes effect when passed and approved according to law.