

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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HOUSE BILL 302  
Committee Substitute Favorable 4/22/99  
Third Edition Engrossed 4/27/99  
Senate Children & Human Resources Committee Substitute Adopted 6/1/99  
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Short Title: Enhance Child Support Enforce./AB.

(Public)

Sponsors:

Referred to:

March 4, 1999

A BILL TO BE ENTITLED  
AN ACT TO AMEND THE GENERAL STATUTES PERTAINING TO CHILD  
SUPPORT ENFORCEMENT.

The General Assembly of North Carolina enacts:

PART I. ENHANCE CHILD SUPPORT ENFORCEMENT.

Section 1. G.S. 110-132(a), as amended by Section 1 of S.L. 1998-17, reads as  
rewritten:

"(a) In lieu of or in conclusion of any legal proceeding instituted to establish  
paternity, the written acknowledgment of paternity executed by the putative father of the  
dependent child when accompanied by a written affirmation of paternity executed and  
sworn to by the mother of the dependent child shall constitute an admission of ~~paternity,~~  
paternity and shall have the same legal effect as a judgment of paternity for the purpose  
of establishing a child support obligation, subject to the right of either signatory to  
rescind within the earlier of:

- (1) 60 days of the date the document is executed, or

1           (2)    The date of entry of an order establishing paternity or an order for the  
2                    payment of child support.

3           In order to rescind, a challenger must request the district court to order the rescision  
4 and to include in the order specific findings of fact that the request for rescision was filed  
5 with the clerk of court within 60 days of the signing of the document. The court must also  
6 find that all parties, including the child support enforcement agency, if appropriate, have  
7 been served in accordance with Rule 4 of the North Carolina Rules of Civil Procedure. In  
8 the event the court orders rescision and the putative father is thereafter found not to be the  
9 father of the child, then the clerk of court shall send a copy of the order of rescision to the  
10 State Registrar of Vital Statistics. Upon receipt of an order of rescision, the State Registrar  
11 shall remove the putative father's name from the birth certificate. In the event that the  
12 putative father defaults or fails to present or prosecute the issue of paternity, the trial  
13 court shall find the putative father to be the biological father as a matter of law.

14          After 60 days have elapsed, execution of the document may be challenged in court  
15 only upon the basis of fraud, duress, mistake, or excusable neglect. The burden of proof  
16 shall be on the challenging party, and the legal responsibilities, including child support  
17 obligations, of any signatory arising from the executed documents may not be suspended  
18 during the challenge except for good cause shown.

19          A written agreement to support the child by periodic payments, which may include  
20 provision for reimbursement for medical expenses incident to the pregnancy and the birth  
21 of the child, accrued maintenance and reasonable expense of prosecution of the paternity  
22 action, when acknowledged as provided herein, filed with, and approved by a judge of  
23 the district court at any time, shall have the same force and effect as an order of support  
24 entered by that court, and shall be enforceable and subject to modification in the same  
25 manner as is provided by law for orders of the court in such cases. The written  
26 affirmation shall contain the social security number of the person executing the  
27 affirmation, and the written acknowledgment shall contain the social security number of  
28 the person executing the acknowledgment. Voluntary agreements to support shall contain  
29 the social security number of each of the parties to the agreement. The written  
30 affirmations, acknowledgments and agreements to support shall be sworn to before a  
31 certifying officer or notary public or the equivalent or corresponding person of the state,  
32 territory, or foreign country where the affirmation, acknowledgment, or agreement is  
33 made, and shall be binding on the person executing the same whether the person is an  
34 adult or a minor. The child support enforcement agency shall ensure that the mother and  
35 putative father are given oral and written notice of the legal consequences and  
36 responsibilities arising from the signing of an acknowledgement of paternity, and of any  
37 alternatives to the execution of an acknowledgment or affirmation of paternity. The  
38 mother shall not be excused from making the affirmation on the grounds that it may tend  
39 to disgrace or incriminate her; nor shall she thereafter be prosecuted for any criminal act  
40 involved in the conception of the child as to whose paternity she makes affirmation."

41          Section 2. G.S. 110-142.2(b), as amended by Section 1 of S.L. 1998-17, reads  
42 as rewritten:

1       "(b) Upon finding that the individual has willfully failed to comply with the child  
2 support order or with a subpoena issued pursuant to child support proceedings, and that  
3 the obligor is at least 90 days in arrears, or upon a finding that an individual subject to a  
4 subpoena issued pursuant to child support or paternity establishment proceedings has  
5 failed to comply with the subpoena, the court may enter an order instituting the sanctions  
6 as provided in subsection (a) of this section. If an individual is adjudicated to be in civil  
7 or criminal contempt for a third or subsequent time for failure to comply with a child  
8 support order, the court shall enter an order instituting any one or more of the sanctions,  
9 if applicable, as provided in subsection (a) of this section. The court may stay the  
10 effectiveness of the sanctions upon conditions requiring the obligor to make full payment  
11 of the delinquency over time. Any court-ordered payment plan under this subsection  
12 shall require the individual to extinguish the delinquency within a reasonable period of  
13 time. In determining the amount to be applied to the delinquency, the court shall  
14 consider the amount of the debt and the individual's financial ability to pay. The payment  
15 shall not exceed the limits under G.S. 110-136.6(b). The individual shall make an  
16 immediate initial payment representing at least five percent (5%) of the total delinquency  
17 or five hundred dollars (\$500.00), whichever is less. Any stay of an order under this  
18 subsection shall also be conditioned upon the obligor's maintenance of current child  
19 support. The court may stay the effectiveness of the sanctions against an individual  
20 subject to a subpoena issued pursuant to child support or paternity establishment  
21 proceedings upon a finding that the individual has complied with or is no longer subject  
22 to the subpoena. Upon entry of an order pursuant to this section that is not stayed, the  
23 individual shall surrender any licenses revoked by the court's order to the child support  
24 enforcement agency and the agency shall forward a report to the appropriate licensing  
25 authority within 30 days of the order."

26       Section 3. G.S. 50-13.4(c) reads as rewritten:

27       "(c) Payments ordered for the support of a minor child shall be in such amount as to  
28 meet the reasonable needs of the child for health, education, and maintenance, having due  
29 regard to the estates, earnings, conditions, accustomed standard of living of the child and  
30 the parties, the child care and homemaker contributions of each party, and other facts of  
31 the particular case. Payments ordered for the support of a minor child shall be on a  
32 monthly basis, due and payable on the first day of each month. The requirement that  
33 orders be established on a monthly basis does not affect the availability of garnishment of  
34 disposable earnings based on an obligor's pay period.

35       The court shall determine the amount of child support payments by applying the  
36 presumptive guidelines established pursuant to subsection (c1). However, upon request of  
37 any party, the Court shall hear evidence, and from the evidence, find the facts relating to  
38 the reasonable needs of the child for support and the relative ability of each parent to  
39 provide support. If, after considering the evidence, the Court finds by the greater weight  
40 of the evidence that the application of the guidelines would not meet or would exceed the  
41 reasonable needs of the child considering the relative ability of each parent to provide  
42 support or would be otherwise unjust or inappropriate the Court may vary from the  
43 guidelines. If the court orders an amount other than the amount determined by application

1 of the presumptive guidelines, the court shall make findings of fact as to the criteria that  
2 justify varying from the guidelines and the basis for the amount ordered.

3 Payments ordered for the support of a child shall terminate when the child reaches the  
4 age of 18 except:

- 5 (1) If the child is otherwise emancipated, payments shall terminate at that  
6 time;
- 7 (2) If the child is still in primary or secondary school when the child  
8 reaches age 18, support payments shall continue until the child  
9 graduates, otherwise ceases to attend school on a regular basis, fails to  
10 make satisfactory academic progress towards graduation, or reaches age  
11 20, whichever comes first, unless the court in its discretion orders that  
12 payments cease at age 18 or prior to high school graduation.

13 In the case of graduation, or attaining age 20, payments shall terminate without order  
14 by the court, subject to the right of the party receiving support to show, upon motion and  
15 with notice to the opposing party, that the child has not graduated or attained the age of  
16 20."

17 Section 4. G.S. 52C-5-501(a), as amended by Section 1 of S.L. 1998-17, reads  
18 as rewritten:

19 "(a) An income-withholding order issued in another state may be sent to the person  
20 or entity defined or identified as the obligor's employer under the income-withholding  
21 provisions of Chapter 50 or Chapter 110 of the General Statutes, as applicable, without  
22 first filing a petition or comparable pleading or registering the order with a tribunal of  
23 this State. In the event that an obligor is receiving unemployment compensation benefits  
24 from the North Carolina Employment Security Commission, in accordance with G.S. 96-  
25 17, an income-withholding order issued in another state may be sent to the Employment  
26 Security Commission without first filing a petition or comparable pleading or registering  
27 the order with a tribunal of this State. Upon receipt of the order, the employer or the  
28 Employment Security Commission shall:

- 29 (1) Treat an income-withholding order issued in another state which  
30 appears regular on its face as if it had been issued by a tribunal of this  
31 State;
- 32 (2) Immediately provide a copy of the order to the obligor; and
- 33 (3) Distribute the funds as directed in the withholding order. The  
34 Employment Security Commission shall not withhold an amount to  
35 exceed twenty-five percent (25%) of the unemployment compensation  
36 benefits."

37 Section 5. G.S. 110-136.2(f) reads as rewritten:

38 "(f) In the absence of a voluntary assignment of unemployment compensation  
39 benefits, the Department of Health and Human Services shall implement income  
40 withholding as provided in this Article for IV-D cases. The amount withheld shall not  
41 exceed twenty-five percent (25%) of the unemployment compensation benefits. Notice of  
42 the requirement to withhold shall be served upon the Employment Security Commission  
43 and payment shall be made by the Employment Security Commission directly to the

1 Department of Health and Human Services pursuant to G.S. ~~96-17-~~96-17 or to another  
2 state under G.S. 52C-5-501. Except for the requirement to withhold from unemployment  
3 compensation benefits and the forwarding of withheld funds to the Department of Health  
4 and Human Services, ~~Services or to another state under G.S. 52C-5-501,~~ the Employment  
5 Security Commission is exempt from the provisions of G.S. 110-136.8."

6 Section 6. Article 9 of Chapter 110 of the General Statutes is amended by  
7 adding a new section to read:

8 **"§ 110-139.3. High-volume, automated administrative enforcement in interstate**  
9 **cases (AEI).**

10 Upon request of another state, the Department of Health and Human Services shall  
11 use automated data processing to search State databases and determine if information is  
12 available regarding a parent who owes a child support obligation and shall seize  
13 identified assets using the same techniques as used in intrastate cases. Any request by  
14 another state to enforce support orders shall certify the amount of each obligor's debt and  
15 that appropriate due process requirements have been met by the requesting state with  
16 respect to each obligor. The Department of Health and Human Services shall likewise  
17 transmit to other states requests for assistance in enforcing support orders through high-  
18 volume, automated administrative enforcement where appropriate."

19 Section 7. G.S. 108A-69, as amended by Section 1 of S.L. 1998-17, reads as  
20 rewritten:

21 **"§ 108A-69. Employer obligations.**

22 (a) As used in this section and in G.S. 108A-70:

23 (1) 'Health benefit plan' means an accident and health insurance policy or  
24 certificate; a nonprofit hospital or medical service corporation contract;  
25 a health maintenance organization subscriber contract; a plan provided  
26 by a multiple employer welfare arrangement; the Teachers' and State  
27 Employees' Comprehensive Major Medical Plan under Chapter 135 of  
28 the General Statutes; or a plan provided by another benefit arrangement.  
29 'Health benefit plan' does not mean a Medicare supplement policy as  
30 defined in G.S. 58-54-1(5).

31 (2) 'Health insurer' means any health insurance company subject to Articles  
32 1 through 63 of Chapter 58 of the General Statutes, including a multiple  
33 employee welfare arrangement, and any corporation subject to Articles  
34 65 and 67 of Chapter 58 of the General Statutes; ~~and means a group~~  
35 ~~health plan, as defined in Section 607(1) of the Employee Retirement~~  
36 ~~Income Security Act of 1974.~~ 1974; and the Teachers' and State  
37 Employees' Comprehensive Major Medical Plan under Chapter 135 of  
38 the General Statutes.

39 (b) If a parent is required by a court or administrative order to provide health  
40 benefit plan coverage for a child, and the parent is eligible for family health benefit plan  
41 coverage through an ~~employer doing business in this State,~~ employer, the employer:

- 1 (1) Must allow the parent to enroll, under family coverage, the child if the  
2 child would be otherwise eligible for coverage without regard to any  
3 enrollment season restrictions.
- 4 (2) Must enroll the child under family coverage upon application of the  
5 child's other parent or upon receipt of notice from the Department of  
6 Health and Human Services in connection with its administration of the  
7 Medical Assistance or Child Support Enforcement Program if the parent  
8 is enrolled but fails to make application to obtain coverage for the child.
- 9 (3) May not disenroll or eliminate coverage of the child unless:  
10 a. The employer is provided satisfactory written evidence that:  
11 1. The court or administrative order is no longer in effect; or  
12 2. The child is or will be enrolled in comparable health  
13 benefit plan coverage that will take effect not later than  
14 the effective date of disenrollment; or  
15 b. The employer has eliminated family health benefit plan coverage  
16 for all of its employees.
- 17 (4) Must withhold from the employee's compensation the employee's share,  
18 if any, of premiums for health benefit plan coverage, not to exceed the  
19 maximum amount permitted to be withheld under section 303(b) of the  
20 federal Consumer Credit Protection Act, as amended; and must pay this  
21 amount to the health insurer; subject to regulations, if any, adopted by  
22 the Secretary of the U.S. Department of Health and Human Services."

23 Section 8. G.S. 58-51-115(a) reads as rewritten:

24 "(a) As used in this section and in G.S. 58-51-120 and G.S. 58-51-125:

- 25 (1) 'Health benefit plan' means any accident and health insurance policy or  
26 certificate; a nonprofit hospital or medical service corporation contract;  
27 a health maintenance organization subscriber contract; a plan provided  
28 by a multiple employer welfare arrangement; the Teachers' and State  
29 Employees' Comprehensive Major Medical Plan under Chapter 135 of  
30 the General Statutes; or a plan provided by another benefit arrangement.  
31 'Health benefit plan' does not mean a Medicare supplement policy as  
32 defined in G.S. 58-54-1(5).
- 33 (2) 'Health insurer' means any health insurance company subject to Articles  
34 1 through 63 of this Chapter, including a multiple employee welfare  
35 arrangement, and any corporation subject to Articles 65 and 67 of this  
36 Chapter; ~~and means~~ a group health plan, as defined in section 607(1) of  
37 the Employee Retirement Income Security Act of ~~1974~~ 1974; and the  
38 Teachers' and State Employees' Comprehensive Major Medical Plan  
39 under Chapter 135 of the General Statutes."

40 Section 9. G.S. 15A-1344.1(a) reads as rewritten:

- 41 "(a) When the court requires, as a condition of supervised or unsupervised  
42 probation, that a defendant support his children, the court may order at any time that  
43 support payments be made to the clerk of court for remittance to the party entitled to

1 receive the payments. For child support orders initially entered on or after January 1,  
2 1994, the immediate income withholding provisions of G.S. 110-136.5(c1) shall apply. If  
3 child support is to be paid through income withholding, the payments shall be made in  
4 accordance with G.S. 110-139(f)."

5 Section 10. G.S. 50-13.9(b) reads as rewritten:

6 "(b) After entry of such an order by the court, the clerk of superior court shall  
7 transmit child support payments that are made to the clerk in IV-D cases to the  
8 Department of Health and Human Services for appropriate distribution. Pursuant to G.S.  
9 110-139(f), amounts withheld by employers in IV-D and in non-IV-D cases shall be sent  
10 directly from the employer to the State Child Support Collection and Disbursement Unit  
11 for disbursement to the custodial parent or other party entitled to receive them, unless a  
12 court order requires otherwise. In all other cases, non-IV-D cases in which wage  
13 withholding is not in effect, the clerk shall transmit the payments to the custodial parent  
14 or other party entitled to receive them, unless a court order requires otherwise."

15 Section 11. G.S. 50-13.9(b2) reads as rewritten:

16 "(b2) In a non-IV-D case:

- 17 (1) The clerk of court shall have the responsibility and authority for  
18 monitoring the obligor's compliance with all child support orders in the  
19 case and for initiating any enforcement procedures that it considers  
20 appropriate. In non-IV-D cases subject to income withholding, the State  
21 Child Support Collection and Disbursement Unit shall notify the clerk  
22 of court of all payments made in non-IV-D income-withholding cases so  
23 that the clerk of court can initiate enforcement proceedings as provided  
24 in subsection (d) of this section.  
25 (2) The clerk of court shall maintain all official records in the case.  
26 (3) The clerk of court shall maintain any other records needed to monitor  
27 the obligor's compliance with or to enforce the child support orders in  
28 the case, including records showing the amount of each payment of  
29 child support received from or on behalf of the obligor, along with the  
30 dates on which each payment was received."

31 Section 12. G.S. 110-36.3 is amended by adding a new subsection to read:

32 "(d1) Employment Verifications. – For the purpose of establishing or modifying a  
33 child support order, the amount of the obligor's gross income may be established by a  
34 written statement signed by the obligor's employer or the employer's designee or an  
35 Employee Verification form produced by the Automated Collections Tracking System  
36 that has been completed and signed by the obligor's employer or the employer's designee.  
37 A written statement signed by the employer of the obligor or the employer's designee that  
38 sets forth an obligor's gross income, as well as an Employee Verification form signed by  
39 the obligor's employer or the employer's designee, shall be admissible evidence in any  
40 action establishing or modifying a child support order."

41 Section 13. G.S. 110-136.8(b), as amended by Section 1 of S.L. 1998-17 and  
42 Section 7 of S.L. 1998-176, reads as rewritten:

1       "(b) Payor's responsibilities. A payor who has been properly served with a notice to  
2 withhold is required to:

- 3           (1) Withhold from the obligor's disposable income and, within 7 business  
4 days of the date the obligor is paid, send to the ~~clerk of superior court or~~  
5 ~~State collection and disbursement unit,~~ Child Support Collection and  
6 Disbursement Unit, as specified in the notice, the amount specified in  
7 the notice and the date the amount was withheld, but in no event more  
8 than the amount allowed by G.S. 110-136.6; however, if a lesser amount  
9 of disposable income is available for any pay period, the payor shall  
10 either: (a) compute and send the appropriate amount to the ~~clerk of court,~~  
11 State Child Support Collection and Disbursement Unit, using the  
12 percentages as provided in G.S. 110-136.6, or (b) request the initiating  
13 party to inform the payor of the proper amount to be withheld for that  
14 period;
- 15           (2) Continue withholding until further notice from the IV-D agency, the  
16 clerk of superior court, or the State collection and disbursement unit;
- 17           (3) Withhold for child support before withholding pursuant to any other  
18 legal process under State law against the same disposable income;
- 19           (4) Begin withholding from the first payment due the obligor in the first pay  
20 period that occurs 14 days following the date the notice of the obligation  
21 to withhold was served on the payor;
- 22           (5) Promptly notify the obligee in a IV-D case, or the clerk of superior court  
23 or the State collection and disbursement unit in a non-IV-D case, in  
24 writing:
- 25           a. If there are one or more orders of child support withholding for  
26 the obligor;
- 27           a1. If there are one or more orders of alimony or postseparation  
28 support withholding for the obligor;
- 29           b. When the obligor terminates employment or otherwise ceases to  
30 be entitled to disposable income from the payor, and provide the  
31 obligor's last known address, and the name and address of his  
32 new employer, if known;
- 33           c. Of the payor's inability to comply with the withholding for any  
34 reason; and
- 35           (6) Cooperate fully with the initiating party in the verification of the amount  
36 of the obligor's disposable income."

37       Section 14. G.S. 110-136.8(d) reads as rewritten:

38       "(d) The payor may combine amounts withheld from obligors' disposable incomes  
39 in a single payment to ~~each clerk of superior court~~ the State Child Support Collection and  
40 Disbursement Unit if the payor separately identifies by name and case number the portion  
41 of the single payment attributable to each individual obligor and the date that each  
42 payment was withheld from the obligor's disposable income."

43       Section 15. G.S. 110-136.9 reads as rewritten:



1 **"§ 110-136.9. Payment of withheld funds.**

2 In IV-D ~~cases,~~ cases and in non-IV-D cases in which the support order was initially  
3 issued in this State on or after January 1, 1994, and in which the income of the  
4 noncustodial parent is subject to income withholding, when required by federal or State  
5 law or regulations or by court order, the ~~clerk of superior court~~ State Child Support  
6 Collection and Disbursement Unit shall ~~transmit~~ distribute payments received from payors  
7 to the Department of Health and Human Services for appropriate distribution. ~~payors.~~ In all  
8 other cases, unless a court order requires otherwise, the clerk of superior court shall  
9 transmit the payments to the custodial parent."  
10

11 **PART II. ENHANCE CHILD SUPPORT ENFORCEMENT – APPROPRIATION**  
12 **REQUIRED.**

13 Section 16. G.S. 110-132(a), as amended by Section 1 of S.L. 1998-17, reads  
14 as rewritten:

15 "(a) In lieu of or in conclusion of any legal proceeding instituted to establish  
16 paternity, the written acknowledgment of paternity executed by the putative father of the  
17 dependent child when accompanied by a written affirmation of paternity executed and  
18 sworn to by the mother of the dependent child shall constitute an admission of ~~paternity,~~  
19 paternity and shall have the same legal effect as a judgment of paternity for the purpose  
20 of establishing a child support obligation, subject to the right of either signatory to  
21 rescind within the earlier of:

- 22 (1) 60 days of the date the document is executed, or  
23 (2) The date of entry of an order establishing paternity or an order for the  
24 payment of child support.

25 In order to rescind, a challenger must request the district court to order the rescision  
26 and to include in the order specific findings of fact that the request for rescision was filed  
27 with the clerk of court within 60 days of the signing of the document. The court must also  
28 find that all parties, including the child support enforcement agency, if appropriate, have  
29 been served in accordance with Rule 4 of the North Carolina Rules of Civil Procedure. In  
30 the event the court orders rescision and the putative father is thereafter found not to be the  
31 father of the child, then the clerk of court shall send a copy of the order of rescision to the  
32 State Registrar of Vital Statistics. Upon receipt of an order of rescision, the State Registrar  
33 shall remove the putative father's name from the birth certificate. In the event that the  
34 putative father defaults or fails to present or prosecute the issue of paternity, the trial  
35 court shall find the putative father to be the biological father as a matter of law.

36 After 60 days have elapsed, execution of the document may be challenged in court  
37 only upon the basis of fraud, duress, mistake, or excusable neglect. The burden of proof  
38 shall be on the challenging party, and the legal responsibilities, including child support  
39 obligations, of any signatory arising from the executed documents may not be suspended  
40 during the challenge except for good cause shown.

41 A written agreement to support the child by periodic payments, which may include  
42 provision for reimbursement for medical expenses incident to the pregnancy and the birth  
43 of the child, accrued maintenance and reasonable expense of prosecution of the paternity

1 action, when acknowledged as provided herein, filed with, and approved by a judge of  
2 the district court at any time, shall have the same force and effect as an order of support  
3 entered by that court, and shall be enforceable and subject to modification in the same  
4 manner as is provided by law for orders of the court in such cases. The written  
5 affirmation shall contain the social security number of the person executing the  
6 affirmation, and the written acknowledgment shall contain the social security number of  
7 the person executing the acknowledgment. Voluntary agreements to support shall contain  
8 the social security number of each of the parties to the agreement. The written  
9 affirmations, acknowledgments and agreements to support shall be sworn to before a  
10 certifying officer or notary public or the equivalent or corresponding person of the state,  
11 territory, or foreign country where the affirmation, acknowledgment, or agreement is  
12 made, and shall be binding on the person executing the same whether the person is an  
13 adult or a minor. The child support enforcement agency shall ensure that the mother and  
14 putative father are given oral and written notice of the legal consequences and  
15 responsibilities arising from the signing of an acknowledgement of paternity, and of any  
16 alternatives to the execution of an acknowledgment or affirmation of paternity. The  
17 mother shall not be excused from making the affirmation on the grounds that it may tend  
18 to disgrace or incriminate her; nor shall she thereafter be prosecuted for any criminal act  
19 involved in the conception of the child as to whose paternity she makes affirmation."

20 Section 17. G.S. 110-142.2(b), as amended by Section 1 of S.L. 1998-17,  
21 reads as rewritten:

22 "(b) Upon finding that the individual has willfully failed to comply with the child  
23 support order or with a subpoena issued pursuant to child support proceedings, and that  
24 the obligor is at least 90 days in arrears, or upon a finding that an individual subject to a  
25 subpoena issued pursuant to child support or paternity establishment proceedings has  
26 failed to comply with the subpoena, the court may enter an order instituting the sanctions  
27 as provided in subsection (a) of this section. If an individual is adjudicated to be in civil  
28 or criminal contempt for a third or subsequent time for failure to comply with a child  
29 support order, the court shall enter an order instituting any one or more of the sanctions,  
30 if applicable, as provided in subsection (a) of this section. The court may stay the  
31 effectiveness of the sanctions upon conditions requiring the obligor to make full payment  
32 of the delinquency over time. Any court-ordered payment plan under this subsection  
33 shall require the individual to extinguish the delinquency within a reasonable period of  
34 time. In determining the amount to be applied to the delinquency, the court shall  
35 consider the amount of the debt and the individual's financial ability to pay. The payment  
36 shall not exceed the limits under G.S. 110-136.6(b). The individual shall make an  
37 immediate initial payment representing at least five percent (5%) of the total delinquency  
38 or five hundred dollars (\$500.00), whichever is less. Any ~~such~~ stay of an order under this  
39 subsection shall also be conditioned upon the obligor's maintenance of current child  
40 support. The court may stay the effectiveness of the sanctions against an individual  
41 subject to a subpoena issued pursuant to child support or paternity establishment  
42 proceedings upon a finding that the individual has complied with or is no longer subject  
43 to the subpoena. Upon entry of an order pursuant to this section that is not stayed, the

1 individual shall surrender any licenses revoked by the court's order to the child support  
2 enforcement agency and the agency shall forward a report to the appropriate licensing  
3 authority within 30 days of the order."

4 Section 18. G.S. 50-13.4(c) reads as rewritten:

5 "(c) Payments ordered for the support of a minor child shall be in such amount as to  
6 meet the reasonable needs of the child for health, education, and maintenance, having due  
7 regard to the estates, earnings, conditions, accustomed standard of living of the child and  
8 the parties, the child care and homemaker contributions of each party, and other facts of  
9 the particular case. Payments ordered for the support of a minor child shall be on a  
10 monthly basis, due and payable on the first day of each month. The requirement that  
11 orders be established on a monthly basis does not affect the availability of garnishment of  
12 disposable earnings based on an obligor's pay period.

13 The court shall determine the amount of child support payments by applying the  
14 presumptive guidelines established pursuant to subsection (c1). However, upon request of  
15 any party, the Court shall hear evidence, and from the evidence, find the facts relating to  
16 the reasonable needs of the child for support and the relative ability of each parent to  
17 provide support. If, after considering the evidence, the Court finds by the greater weight  
18 of the evidence that the application of the guidelines would not meet or would exceed the  
19 reasonable needs of the child considering the relative ability of each parent to provide  
20 support or would be otherwise unjust or inappropriate the Court may vary from the  
21 guidelines. If the court orders an amount other than the amount determined by application  
22 of the presumptive guidelines, the court shall make findings of fact as to the criteria that  
23 justify varying from the guidelines and the basis for the amount ordered.

24 Payments ordered for the support of a child shall terminate when the child reaches the  
25 age of 18 except:

- 26 (1) If the child is otherwise emancipated, payments shall terminate at that  
27 time;
- 28 (2) If the child is still in primary or secondary school when the child  
29 reaches age 18, support payments shall continue until the child  
30 graduates, otherwise ceases to attend school on a regular basis, fails to  
31 make satisfactory academic progress towards graduation, or reaches age  
32 20, whichever comes first, unless the court in its discretion orders that  
33 payments cease at age 18 or prior to high school graduation.

34 In the case of graduation, or attaining age 20, payments shall terminate without order  
35 by the court, subject to the right of the party receiving support to show, upon motion and  
36 with notice to the opposing party, that the child has not graduated or attained the age of  
37 20."

38 Section 19. G.S. 50-13.4(d) reads as rewritten:

39 "(d) In non-IV-D cases, payments for the support of a minor child shall be ordered  
40 to be paid to the person having custody of the child or any other proper person, agency,  
41 organization or institution, or to the ~~court~~, State Child Support Collection and  
42 Disbursement Unit, for the benefit of the child. In IV-D cases, payments for the support

1 of a minor child shall be ordered to be paid to the ~~court or other proper State agency~~ Child  
2 Support Collection and Disbursement Unit for the benefit of the child."

3 Section 20. G.S. 52C-5-501(a), as amended by Section 1 of S.L. 1998-17,  
4 reads as rewritten:

5 "(a) An income-withholding order issued in another state may be sent to the person  
6 or entity defined or identified as the obligor's employer under the income-withholding  
7 provisions of Chapter 50 or Chapter 110 of the General Statutes, as applicable, without  
8 first filing a petition or comparable pleading or registering the order with a tribunal of  
9 this State. In the event that an obligor is receiving unemployment compensation benefits  
10 from the North Carolina Employment Security Commission, in accordance with G.S. 96-  
11 17, an income-withholding order issued in another state may be sent to the Employment  
12 Security Commission without first filing a petition or comparable pleading or registering  
13 the order with a tribunal of this State. Upon receipt of the order, the employer or the  
14 Employment Security Commission shall:

- 15 (1) Treat an income-withholding order issued in another state which  
16 appears regular on its face as if it had been issued by a tribunal of this  
17 State;  
18 (2) Immediately provide a copy of the order to the obligor; and  
19 (3) Distribute the funds as directed in the withholding order. The  
20 Employment Security Commission shall not withhold an amount to  
21 exceed twenty-five percent (25%) of the unemployment compensation  
22 benefits."

23 Section 21. G.S. 110-136.2(f) reads as rewritten:

24 "(f) In the absence of a voluntary assignment of unemployment compensation  
25 benefits, the Department of Health and Human Services shall implement income  
26 withholding as provided in this Article for IV-D cases. The amount withheld shall not  
27 exceed twenty-five percent (25%) of the unemployment compensation benefits. Notice of  
28 the requirement to withhold shall be served upon the Employment Security Commission  
29 and payment shall be made by the Employment Security Commission directly to the  
30 Department of Health and Human Services pursuant to G.S. ~~96-17~~ 96-17 or to another  
31 state under G.S. 52C-5-501. Except for the requirement to withhold from unemployment  
32 compensation benefits and the forwarding of withheld funds to the Department of Health  
33 and Human Services, ~~Services~~ or to another state under G.S. 52C-5-501, the Employment  
34 Security Commission is exempt from the provisions of G.S. 110-136.8."

35 Section 22. Article 9 of Chapter 110 of the General Statutes is amended by  
36 adding a new section to read:

37 **"§ 110-139.3. High-volume, automated administrative enforcement in interstate**  
38 **cases (AEI).**

39 Upon request of another state, the Department of Health and Human Services shall  
40 use automated data processing to search State databases and determine if information is  
41 available regarding a parent who owes a child support obligation and shall seize  
42 identified assets using the same techniques as used in intrastate cases. Any request by  
43 another state to enforce support orders shall certify the amount of each obligor's debt and

1 that appropriate due process requirements have been met by the requesting state with  
2 respect to each obligor. The Department of Health and Human Services shall likewise  
3 transmit to other states requests for assistance in enforcing support orders through high-  
4 volume, automated administrative enforcement where appropriate."

5 Section 23. G.S. 108A-69, as amended by Section 1 of S.L. 1998-17, reads as  
6 rewritten:

7 "**§ 108A-69. Employer obligations.**

8 (a) As used in this section and in G.S. 108A-70:

9 (1) 'Health benefit plan' means an accident and health insurance policy or  
10 certificate; a nonprofit hospital or medical service corporation contract;  
11 a health maintenance organization subscriber contract; a plan provided  
12 by a multiple employer welfare arrangement; the Teachers' and State  
13 Employees' Comprehensive Major Medical Plan under Chapter 135 of  
14 the General Statutes; or a plan provided by another benefit arrangement.  
15 'Health benefit plan' does not mean a Medicare supplement policy as  
16 defined in G.S. 58-54-1(5).

17 (2) 'Health insurer' means any health insurance company subject to Articles  
18 1 through 63 of Chapter 58 of the General Statutes, including a multiple  
19 employee welfare arrangement, and any corporation subject to Articles  
20 65 and 67 of Chapter 58 of the General Statutes; ~~and means a group~~  
21 ~~health plan, as defined in Section 607(1) of the Employee Retirement~~  
22 ~~Income Security Act of 1974.~~ 1974; and the Teachers' and State  
23 Employees' Comprehensive Major Medical Plan under Chapter 135 of  
24 the General Statutes.

25 (b) If a parent is required by a court or administrative order to provide health  
26 benefit plan coverage for a child, and the parent is eligible for family health benefit plan  
27 coverage through an ~~employer doing business in this State,~~ employer, the employer:

28 (1) Must allow the parent to enroll, under family coverage, the child if the  
29 child would be otherwise eligible for coverage without regard to any  
30 enrollment season restrictions.

31 (2) Must enroll the child under family coverage upon application of the  
32 child's other parent or upon receipt of notice from the Department of  
33 Health and Human Services in connection with its administration of the  
34 Medical Assistance or Child Support Enforcement Program if the parent  
35 is enrolled but fails to make application to obtain coverage for the child.

36 (3) May not disenroll or eliminate coverage of the child unless:

37 a. The employer is provided satisfactory written evidence that:

- 38 1. The court or administrative order is no longer in effect; or
- 39 2. The child is or will be enrolled in comparable health  
40 benefit plan coverage that will take effect not later than  
41 the effective date of disenrollment; or

42 b. The employer has eliminated family health benefit plan coverage  
43 for all of its employees.

1 (4) Must withhold from the employee's compensation the employee's share,  
2 if any, of premiums for health benefit plan coverage, not to exceed the  
3 maximum amount permitted to be withheld under section 303(b) of the  
4 federal Consumer Credit Protection Act, as amended; and must pay this  
5 amount to the health insurer; subject to regulations, if any, adopted by  
6 the Secretary of the U.S. Department of Health and Human Services."

7 Section 24. G.S. 58-51-115(a) reads as rewritten:

8 "(a) As used in this section and in G.S. 58-51-120 and G.S. 58-51-125:

9 (1) 'Health benefit plan' means any accident and health insurance policy or  
10 certificate; a nonprofit hospital or medical service corporation contract;  
11 a health maintenance organization subscriber contract; a plan provided  
12 by a multiple employer welfare arrangement; the Teachers' and State  
13 Employees' Comprehensive Major Medical Plan under Chapter 135 of  
14 the General Statutes; or a plan provided by another benefit arrangement.  
15 'Health benefit plan' does not mean a Medicare supplement policy as  
16 defined in G.S. 58-54-1(5).

17 (2) 'Health insurer' means any health insurance company subject to Articles  
18 1 through 63 of this Chapter, including a multiple employee welfare  
19 arrangement, and any corporation subject to Articles 65 and 67 of this  
20 Chapter; ~~and means a group health plan, as defined in section 607(1) of~~  
21 ~~the Employee Retirement Income Security Act of 1974-1974; and the~~  
22 Teachers' and State Employees' Comprehensive Major Medical Plan  
23 under Chapter 135 of the General Statutes."

24 Section 25. G.S. 15A-1344.1(a) reads as rewritten:

25 "(a) When the court requires, as a condition of supervised or unsupervised  
26 probation, that a defendant support his children, the court may order at any time that  
27 support payments be made to the clerk of court for remittance to the party entitled to  
28 receive the payments. For child support orders initially entered on or after January 1,  
29 1994, the immediate income withholding provisions of G.S. 110-136.5(c1) ~~shall~~ apply. If  
30 child support is to be paid through income withholding, the payments shall be made in  
31 accordance with G.S. 110-139(f)."

32 Section 26. G.S. 50-13.9(a) reads as rewritten:

33 "(a) Upon its own motion or upon motion of either party, the court may order at any  
34 time that support payments be made to the ~~clerk of court~~ State Child Support Collection  
35 and Disbursement Unit for remittance to the party entitled to receive the payments. For  
36 child support orders initially entered on or after January 1, 1994, the immediate income  
37 withholding provisions of G.S. 110-136.5(c1) ~~shall~~ apply."

38 Section 27. G.S. 50-13.9(b) reads as rewritten:

39 "(b) After entry of ~~such an order by the court, court~~ under subsection (a) of this  
40 section, the clerk of superior court State Child Support Collection and Disbursement Unit  
41 shall transmit child support payments that are made to the clerk in IV-D cases to the  
42 Department of Health and Human Services for appropriate distribution. In all other cases, the

1 ~~clerk shall transmit the payments it~~ to the custodial parent or other party entitled to receive  
2 them, unless a court order requires otherwise."

3 Section 28. G.S. 50-13.9(b2) reads as rewritten:

4 "(b2) In a non-IV-D case:

5 (1) The clerk of court shall have the responsibility and authority for  
6 monitoring the obligor's compliance with all child support orders in the  
7 case and for initiating any enforcement procedures that it considers  
8 appropriate. The State Child Support Collection and Disbursement Unit  
9 shall notify the clerk of court of all payments made in non-IV-D cases  
10 so that the clerk of court can initiate enforcement proceedings as  
11 provided in subsection (d) of this section.

12 (2) The clerk of court shall maintain all official records in the case.

13 (3) The clerk of court shall maintain any other records needed to monitor  
14 the obligor's compliance with or to enforce the child support orders in  
15 the case, including records showing the amount of each payment of  
16 child support received from or on behalf of the obligor, along with the  
17 dates on which each payment was received."

18 Section 29. G.S. 50-13.9(d) reads as rewritten:

19 "(d) In a non-IV-D case, when the clerk of superior court is notified by the State  
20 Child Support Collection and Disbursement Unit that an obligor fails-has failed to make a  
21 required payment of child support and is in arrears, the clerk of superior court shall mail  
22 by regular mail to the last known address of the obligor a notice of delinquency. The  
23 notice shall set out the amount of child support currently due and shall demand  
24 immediate payment of ~~said-that~~ amount. The notice shall also state that failure to make  
25 immediate payment will result in the issuance by the court of an enforcement order  
26 requiring the obligor to appear before a district court judge and show cause why the  
27 support obligation should not be enforced by income withholding, contempt of court,  
28 revocation of licensing privileges, or other appropriate means. Failure to receive the  
29 delinquency notice ~~shall-is not be~~ a defense in any subsequent proceeding. Sending the  
30 notice of delinquency ~~shall-be-is~~ in the discretion of the clerk if the clerk has, during the  
31 previous 12 months, sent a notice or notices of delinquency to the obligor for  
32 nonpayment, or if income withholding has been implemented against the obligor or the  
33 obligor has been previously found in contempt for nonpayment under the same child  
34 support order.

35 If the arrearage is not paid in full within 21 days after the mailing of the delinquency  
36 notice, or without waiting the 21 days if the clerk has elected not to mail a delinquency  
37 notice for any of the reasons provided ~~herein,~~ in this subsection, the clerk shall cause an  
38 enforcement order to be issued and shall issue a notice of hearing before a district court  
39 judge. The enforcement order shall order the obligor to appear and show cause why ~~he~~  
40 the obligor should not be subjected to income withholding or adjudged in contempt of  
41 court, or both, and shall order the obligor to bring to the hearing records and information  
42 relating to ~~his-the~~ obligor's employment, ~~his-the~~ obligor's licensing privileges, and the

1 amount and sources of ~~his~~the obligor's disposable income. The enforcement order shall  
2 state:

- 3 (1) That the obligor is under a court order to provide child support, the  
4 name of each child for whose benefit support is due, and information  
5 sufficient to identify the order;
- 6 (2) That the obligor is delinquent and the amount of overdue support;
- 7 (2a) That the court may order the revocation of some or all of the obligor's  
8 licensing privileges if the obligor is delinquent in an amount equal to the  
9 support due for one month;
- 10 (3) That the court may order income withholding if the obligor is delinquent  
11 in an amount equal to the support due for one month;
- 12 (4) That income withholding, if implemented, will apply to the obligor's  
13 current payors and all subsequent payors and will be continued until  
14 terminated pursuant to G.S. 110-136.10;
- 15 (5) That failure to bring to the hearing records and information relating to  
16 his employment and the amount and sources of his disposable income  
17 will be grounds for contempt;
- 18 (6) That if income withholding is not an available or appropriate remedy,  
19 the court may determine whether the obligor is in contempt or whether  
20 any other enforcement remedy is appropriate.

21 The enforcement order may be signed by the clerk or a district court judge, and shall be  
22 served on the obligor pursuant to G.S. 1A-1, Rule 4, Rules of Civil Procedure. The clerk  
23 shall also notify the party to whom support is owed of the pending hearing. The clerk  
24 may withdraw the order to the supporting party upon receipt of the delinquent payment.  
25 On motion of the person to whom support is owed, with the approval of the district court  
26 judge, if the district court judge finds it is in the best interest of the child, no enforcement  
27 order shall be issued.

28 When the matter comes before the court, the court shall proceed as in the case of a  
29 motion for income withholding under G.S. 110-136.5. If income withholding is not an  
30 available or adequate remedy, the court may proceed with contempt, imposition of a lien,  
31 or other available, appropriate enforcement remedies.

32 This subsection shall apply only to non-IV-D cases, except that the clerk shall issue  
33 an enforcement order in a IV-D case when requested to do so by an IV-D obligee."

34 Section 30. G.S. 50-13.10(e) reads as rewritten:

35 "(e) When a child support payment ~~which~~that is to be made to ~~a clerk of superior~~  
36 ~~court~~the State Child Support Collection and Disbursement Unit is not received by ~~the~~  
37 ~~clerk~~the Unit when due, the payment is not a past due child support payment for purposes  
38 of this section, and no arrearage accrues, if the payment is actually made to and received  
39 on time by the party entitled to receive it and ~~such~~that receipt is evidenced by a canceled  
40 check, money order, or contemporaneously executed and dated written receipt. Nothing  
41 in this section shall affect the duties of the clerks or the IV-D agency under this Chapter  
42 or Chapter 110 of the General Statutes with respect to payments not received by ~~them~~the  
43 Unit on time, but the court, in any action to enforce such a payment, may enter an order



1 directing the clerk or the IV-D agency to enter the payment on ~~his~~ the clerk's or IV-D  
2 agency's records as having been made on time, if the court finds that the payment was in  
3 fact received by the party entitled to receive it as provided in this subsection."

4 Section 31. G.S. 110-36.3 is amended by adding a new subsection to read:

5 "(d1) Employment Verifications. – For the purpose of establishing or modifying a  
6 child support order, the amount of the obligor's gross income may be established by a  
7 written statement signed by the obligor's employer or the employer's designee or an  
8 Employee Verification form produced by the Automated Collections Tracking System  
9 that has been completed and signed by the obligor's employer or the employer's designee.  
10 A written statement signed by the employer of the obligor or the employer's designee that  
11 sets forth an obligor's gross income, as well as an Employee Verification form signed by  
12 the obligor's employer or the employer's designee, shall be admissible evidence in any  
13 action establishing or modifying a child support order."

14 Section 32. G.S. 110-136(d) reads as rewritten:

15 "(d) Upon receipt of an order of garnishment, the garnishee shall transmit without  
16 delay to the ~~clerk of superior court~~ State Child Support Collection and Disbursement Unit  
17 the amount ordered by the court to be garnished. These funds shall be disbursed to the  
18 party designated by the court which in those cases of dependent children receiving public  
19 assistance shall be the North Carolina Department of Health and Human Services."

20 Section 33. G.S. 110-136.5(b) reads as rewritten:

21 "(b) Withholding Based on Obligor's Request. The obligor may request at any time  
22 that income withholding be implemented. The request may be made either verbally in  
23 open court or by written request.

24 (1) A written request for withholding shall state:

- 25 a. That the obligor is under a court order to provide child support,  
26 and information sufficient to identify the order;
- 27 b. Whether the obligor is delinquent and the amount of any overdue  
28 support;
- 29 c. The name of each child for whose benefit support is payable;
- 30 d. The name, location, and mailing address of the payor or payors  
31 from whom the obligor receives disposable income and the  
32 amount of the obligor's monthly disposable income from each  
33 payor;
- 34 e. That the obligor understands that withholding, if implemented,  
35 will apply to the obligor's current payors and all subsequent  
36 payors and will be continued until terminated pursuant to G.S.  
37 110-136.10; and
- 38 f. That the obligor understands that the amount withheld will  
39 include an amount sufficient to pay current child support, an  
40 additional amount toward liquidation of any arrearages, and a  
41 two dollar (\$2.00) processing fee to be retained by the employer  
42 for each withholding, but that the total amount withheld may not  
43 exceed the following percent of disposable income:

- 1           1.     Forty percent (40%) if there is only one order for
- 2                     withholding;
- 3           2.     Forty-five percent (45%) if there is more than one order
- 4                     for withholding and the obligor is supporting other
- 5                     dependent children or his or her spouse; or
- 6           3.     Fifty percent (50%) if there is more than one order for
- 7                     withholding and the obligor is not supporting other
- 8                     dependent children or a spouse.

- 9           (2)     A written request for withholding shall be filed in the office of the clerk
- 10                   of superior court ~~to which the obligor is directed to make child support~~
- 11                   ~~payments.~~ of the court that entered the order for child support. If the
- 12                   request states and the clerk verifies that the obligor is not delinquent, the
- 13                   court may enter an order for withholding without further notice or
- 14                   hearing. If the request states or the clerk finds that the obligor is
- 15                   delinquent, the matter shall be scheduled for hearing unless the obligor
- 16                   in writing waives his right to a hearing and consents to the entry of an
- 17                   order for withholding of an amount the court determines to be
- 18                   appropriate. The court may require a hearing in any case. Notice of any
- 19                   hearing under this subdivision shall be sent to the obligee."

20           Section 34. G.S. 110-136.8(b), as amended by Section 1 of S.L. 1998-17 and

21     Section 7 of S.L. 1998-176, reads as rewritten:

22           "(b) Payor's responsibilities. A payor who has been properly served with a notice to

23     withhold is required to:

- 24           (1)     Withhold from the obligor's disposable income and, within 7 business
- 25                   days of the date the obligor is paid, send to the ~~clerk of superior court or~~
- 26                   ~~State collection and disbursement unit, as specified in the notice,~~ State Child
- 27                   Support Collection and Disbursement Unit the amount specified in the
- 28                   notice and the date the amount was withheld, but in no event more than
- 29                   the amount allowed by G.S. 110-136.6; however, if a lesser amount of
- 30                   disposable income is available for any pay period, the payor shall either:
- 31                   ~~(a)~~
- 32                   a.     ~~compute~~ Compute, and send the appropriate amount to the ~~clerk of~~
- 33                   ~~court,~~ State Child Support Collection and Disbursement Unit,
- 34                   using the percentages as provided in G.S. ~~110-136.6,~~ 110-136.6;
- 35                   or ~~(b)~~
- 36                   b.     ~~request~~ Request the initiating party to inform the payor of the
- 37                   proper amount to be withheld for that period;
- 38           (2)     Continue withholding until further notice from the IV-D agency, the
- 39                   clerk of superior court, or the ~~State collection and disbursement unit,~~ Child
- 40                   Support Collection and Disbursement Unit;
- 41           (3)     Withhold for child support before withholding pursuant to any other
- 42                   legal process under State law against the same disposable income;

- 1 (4) Begin withholding from the first payment due the obligor in the first pay  
2 period that occurs 14 days following the date the notice of the obligation  
3 to withhold was served on the payor;
- 4 (5) Promptly notify the obligee in a IV-D case, or the clerk of superior court  
5 or the State ~~collection and disbursement unit~~ Child Support Collection and  
6 Disbursement Unit in a non-IV-D case, in writing:
- 7 a. If there are one or more orders of child support withholding for  
8 the obligor;
- 9 a1. If there are one or more orders of alimony or postseparation  
10 support withholding for the obligor;
- 11 b. When the obligor terminates employment or otherwise ceases to  
12 be entitled to disposable income from the payor, and provide the  
13 obligor's last known address, and the name and address of his  
14 new employer, if known;
- 15 c. Of the payor's inability to comply with the withholding for any  
16 reason; and
- 17 (6) Cooperate fully with the initiating party in the verification of the amount  
18 of the obligor's disposable income."

19 Section 35. G.S. 110-136.8(d) reads as rewritten:

20 "(d) The payor may combine amounts withheld from obligors' disposable incomes  
21 in a single payment to ~~each clerk of superior court~~ the State Child Support Collection and  
22 Disbursement Unit if the payor separately identifies by name and case number the portion  
23 of the single payment attributable to each individual obligor and the date that each  
24 payment was withheld from the obligor's disposable income."

25 Section 36. G.S. 110-136.9 reads as rewritten:

26 "**§ 110-136.9. Payment of withheld funds.**

27 In ~~IV-D all cases, when required by federal or State law or regulations or by court~~  
28 ~~order, the clerk of superior court shall transmit payments received from payors to the~~  
29 ~~Department of Health and Human Services for appropriate distribution. In all other cases,~~  
30 ~~unless a court order requires otherwise, the clerk of superior court shall transmit the~~  
31 ~~payments to the custodial parent.~~ the State Child Support Collection and Disbursement  
32 Unit shall distribute payments received from payors to the appropriate recipient."

33 Section 37. G.S. 110-139(f) reads as rewritten:

34 "(f) There is established the State Child Support Collection and Disbursement Unit.  
35 The duties of the Unit shall be the collection and disbursement of payments under support  
36 orders for:

- 37 (1) ~~All IV-D cases, and~~
- 38 (2) ~~All non-IV-D cases in which the support order was initially issued in~~  
39 ~~this State on or after January 1, 1994, and in which the income of the~~  
40 ~~nonecustodial parent is subject to income withholding.~~  
41 for all cases. The Department may administer and operate the Unit or may contract with  
42 another State or private entity for the administration and operation of the Unit."

43 Section 38. G.S. 15A-1344.1 reads as rewritten:

1 **"§ 15A-1344.1. Procedure to insure payment of child support.**

2 (a) When the court requires, as a condition of supervised or unsupervised  
3 probation, that a defendant support his children, the court may order at any time that  
4 support payments be made to the ~~clerk of court~~ State Child Support Collection and  
5 Disbursement Unit for remittance to the party entitled to receive the payments. For child  
6 support orders initially entered on or after January 1, 1994, the immediate income  
7 withholding provisions of G.S. 110-136.5(c1) ~~shall~~ apply.

8 (b) After entry of such an order by the court, the clerk of court shall maintain  
9 records listing the amount of payments, the date payments are required to be made, and  
10 the names and addresses of the parties affected by the order.

11 (c) The parties affected by the order shall inform the clerk of court and the State  
12 Child Support Collection and Disbursement Unit of any change of address or of other  
13 condition that may affect the administration of the order. The court may provide in the  
14 order that a defendant failing to inform the court and the State Child Support Collection  
15 and Disbursement Unit of a change of address within reasonable period of time may be  
16 held in violation of probation.

17 (d) When a defendant in a non-IV-D case, as defined in G.S. 110-129, fails to  
18 make required payments of child support and is in arrears, upon notification by the State  
19 Child Support Collection and Disbursement Unit the clerk of superior court may mail by  
20 regular mail to the last known address of the defendant a notice of delinquency ~~which~~  
21 ~~shall set that sets out~~ the amount of child support currently due and ~~which shall demand that~~  
22 ~~demands~~ immediate payment of ~~said the~~ amount. Failure to receive the delinquency  
23 notice ~~shall is~~ not ~~be~~ a defense in any probation violation hearing or other proceeding  
24 thereafter. If the arrearage is not paid in full within 21 days after the mailing of the  
25 delinquency notice, or is not paid within 30 days after the defendant becomes delinquent  
26 if the clerk has elected not to send a delinquency notice, the clerk shall certify the amount  
27 due to the district attorney and probation officer, who shall initiate proceedings for  
28 revocation of probation pursuant to Article 82 of Chapter 15A or make a motion in the  
29 criminal case for income withholding pursuant to G.S. 110-136.5 or both.

30 When a defendant in a IV-D case, as defined in G.S. 110-129, fails to make required  
31 payments of child support and is in arrears, at the request of the IV-D obligee the clerk  
32 shall certify the amount due to the district attorney and probation officer, who shall  
33 initiate proceedings for revocation of probation pursuant to Article 82 of Chapter 15A or  
34 make a motion in the criminal case for income withholding pursuant to G.S. 110-136.5 or  
35 both."

36  
37 **PART III. EFFECTIVE DATES.**

38 Section 39. This act becomes effective October 1, 1999. The mandatory  
39 sanctions under G.S. 110-142.2(b), as amended by this act, apply when an obligor is  
40 adjudicated to be in civil or criminal contempt for a third or subsequent time after this act  
41 becomes effective.

42 Part I of this act becomes effective only if funds are not appropriated to the  
43 Department of Health and Human Services for fiscal years 1999-2000 and 2000-2001 to

- 1 cover the cost of processing all non-IV-D child support transactions. Part II of this act
- 2 becomes effective only if funds are appropriated to the Department of Health and Human
- 3 Services for fiscal years 1999-2000 and 2000-2001 to cover the cost of processing all
- 4 non-IV-D child support transactions.