

252D.17 Notice to payor of income — duties and liability — criminal penalty.

The district court shall provide notice by sending a copy of the order for income withholding or a notice of the order for income withholding to the obligor and the obligor's payor of income by regular mail, with proof of service completed according to rule of civil procedure 1.442. The child support recovery unit shall provide notice of the income withholding order by sending a notice of the order to the obligor's payor of income by regular mail or by electronic means. Proof of service may be completed according to rule of civil procedure 1.442. The child support recovery unit's notice of the order may be sent to the payor of income on the same date that the order is sent to the clerk of court for filing. In all other instances, the income withholding order shall be filed with the clerk of court prior to sending the notice of the order to the payor of income. In addition to the amount to be withheld for payment of support, the order or the notice of the order shall be in a standard format as prescribed by the unit and shall include all of the following information regarding the duties of the payor in implementing the withholding order:

1. The withholding order or notice of the order for income withholding for child support or child support and spousal support has priority over a garnishment or an assignment for any other purpose.

2. As reimbursement for the payor's processing costs, the payor may deduct a fee of no more than two dollars for each payment in addition to the amount withheld for support. The payor of income is not required to vary the payroll cycle to comply with the frequency of payment of a support order.

3. The amount withheld for support, including the processing fee, shall not exceed the amounts specified in 15 U.S.C. § 1673(b).

4. The income withholding order is binding on an existing or future payor of income ten days after receipt of the copy of the order or the notice of the order, and is binding whether or not the copy of the order received is file-stamped.

5. The payor shall send the amounts withheld to the collection services center or the clerk of the district court pursuant to section 252B.14 within seven business days of the date the obligor is paid. "*Business day*" means a day on which state offices are open for regular business.

6. The payor may combine amounts withheld from the obligors' income in a single payment to the clerk of the district court or to the collection services center, as appropriate. Whether combined or separate, payments shall be identified by the name of the obligor, account number, amount, and the date withheld. If payments for multiple obligors are combined, the portion of the payment attributable to each obligor shall be specifically identified.

7. The withholding is binding on the payor until further notice by the court or the child support recovery unit.

8. If the payor, with actual knowledge and intent to avoid legal obligation, fails to withhold income or to pay the amounts withheld to the collection services center or the clerk of court in accordance with the provisions of the order, the notice of the order, or the notification of payors of income provisions established in section 252B.13A, the payor commits a simple misdemeanor for a first offense and is liable for the accumulated amount which should have been withheld, together with costs, interest, and reasonable attorney fees related to the collection of the amounts due from the payor. For each subsequent offense prescribed under this subsection, the payor commits a serious misdemeanor and is liable for the accumulated amount which should have been withheld, together with costs, interest, and reasonable attorney fees related to the collection of the amounts due from the payor.

9. The payor shall promptly notify the court or the child support recovery unit when the obligor's employment or other income terminates, and provide the obligor's last known address and the name and address of the obligor's new employer, if known.

10. Any payor who discharges an obligor, refuses to employ an obligor, or takes disciplinary action against an obligor based upon income withholding is guilty of a simple misdemeanor. A withholding order or the notice of the order for income withholding has the same force and effect as any other district court order, including, but not limited to, contempt of court proceedings for noncompliance.

11. *a.* Beginning July 1, 1997, if a payor of income does business in another state through a registered agent and receives a notice of income withholding issued by another state the payor shall, and beginning January 1, 1998, any payor of income shall withhold funds as directed in a notice issued by another state, except that a payor of income shall follow the laws of the obligor's principal place of employment when determining all of the following:

- (1) The payor's fee for processing an income withholding payment.
- (2) The maximum amount permitted to be withheld from the obligor's income.
- (3) The time periods for implementing the income withholding order and forwarding the support payments.
- (4) The priorities for withholding and allocating income withheld for multiple child support obligees.
- (5) Any withholding terms or conditions not specified in the order.

b. A payor of income who complies with an income withholding notice that is regular on its face shall not be subject to any civil liability to any individual or agency for conduct in compliance with the notice.

12. The payor of income shall comply with chapter 252K when receiving a notice of income withholding from another state.

13. The department shall establish criteria and a phased-in schedule to require, no later than June 30, 2015, payors of income to electronically transmit the amounts withheld under an income withholding order. The department shall assist payors of income in complying with the required electronic transmission, and shall adopt rules setting forth procedures for use in electronic transmission of funds, and exemption from use of electronic transmission taking into consideration any undue hardship electronic transmission creates for payors of income.

93 Acts, ch 78, §12; 95 Acts, ch 52, §5, 6; 96 Acts, ch 1141, § 10, 11; 97 Acts, ch 175, §61, 70, 72; 98 Acts, ch 1170, §8; 2000 Acts, ch 1125, §2, 4; 2006 Acts, ch 1119, §4; 2010 Acts, ch 1031, §337