

House Study Bill 49

SENATE/HOUSE FILE _____
BY (PROPOSED DEPARTMENT OF
HUMAN SERVICES BILL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to child support enforcement including
2 withholding of an employee's compensation by an employer for
3 support of a child under a support order, the required
4 establishment of a personal account for self-employed child
5 support obligors, and protection of child support information,
6 providing a penalty, and providing an effective date.
7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
8 TLSB 1666DP 83
9 pf/nh/5

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1 1 DIVISION I
1 2 WITHHOLDING OF EMPLOYEE COMPENSATION
1 3 Section 1. Section 252D.18A, subsection 4, Code 2009, is
1 4 amended to read as follows:
1 5 4. The payor shall identify and report payments by the
1 6 obligor's name, account number, amount, and date withheld
1 7 pursuant to section 252D.17. ~~Until October 1, 1999, if~~
~~1 8 payments for multiple obligees are combined, the portion of~~
~~1 9 the payment attributable to each obligee shall be specifically~~
~~1 10 identified. Beginning October 1, 1999, if~~ If payments for
1 11 multiple obligees are combined, the portion of the payment
1 12 attributable to each obligee shall be specifically identified
1 13 only if the payor is directed to do so by the child support
1 14 recovery unit.
1 15 Sec. 2. Section 252E.5, subsection 3, Code 2009, is
1 16 amended to read as follows:
1 17 3. The employer shall withhold from the employee's
1 18 compensation, the employee's share, if any, of premiums for
1 19 the health benefit plan in an amount that does not exceed the
1 20 amount specified in the national medical support notice or
~~1 21 order~~ or the amount specified in 15 U.S.C. } 1673(b) and which
1 22 is consistent with federal law. The employer shall forward
1 23 the amount withheld to the insurer.
1 24 Sec. 3. 2007 Iowa Acts, chapter 218, sections 162 and 167,
1 25 are repealed.

1 26 DIVISION II
1 27 SELF=EMPLOYED OBLIGORS
1 28 Sec. 4. NEW SECTION. 252B.28 SELF=EMPLOYED OBLIGORS ==
1 29 ORDER FOR ESTABLISHMENT OF ACCOUNT == PENALTY.
1 30 1. a. If support payments owed by an obligor are
1 31 delinquent in an amount equal to the payment for one month,
1 32 the child support recovery unit may file a motion with the
1 33 district court to order an income provider to utilize an
1 34 existing single-owner personal account for obtaining support
1 35 payments, or, if such an account is not provided, to establish
2 1 a bank or other financial institution account for the sole
2 2 purpose of obtaining support payments owed by the obligor.
2 3 b. Notice shall be served on the obligor or other income
2 4 provider by regular mail and proof of service completed
2 5 according to rule of civil procedure 1.442.
2 6 c. If a hearing is not requested within ten days of
2 7 service of the notice, the court may enter an order under this
2 8 subsection. The order shall specify the amount of the
2 9 compensation that is to be deposited into such account and the
2 10 frequency with which such deposits are to be made.
2 11 d. Within ten days of the issuance of the order under this
2 12 subsection, the income provider shall provide the unit with
2 13 written authorization for the unit to receive from such
2 14 account, by automatic withdrawal, the amount ordered to be
2 15 deposited into such account.

2 16 e. The court may provide a method for timely increase or
2 17 decrease of the amounts to be deposited or withdrawn and shall
2 18 specify the duration of the order. The order shall be subject
2 19 to modification due to a change in the amount of the support
2 20 order or a delinquency, or if the unit will no longer be
2 21 providing services under this chapter.

2 22 2. Failure to utilize the existing or to establish an
2 23 account or to deposit the required amount into the account or
2 24 to authorize automatic withdrawal of the required amount by
2 25 the unit is failure to comply with an order entered under
2 26 subsection 1, which is punishable as contempt.

2 27 3. This section shall be construed to furnish an
2 28 additional remedy and shall in no way affect or impair any
2 29 other remedy, civil or criminal, provided in any other statute
2 30 and available to the unit in relation to the same subject
2 31 matter, and shall not relieve an income provider of a duty
2 32 under any other chapter.

2 33 4. For purposes of this section:

2 34 a. "Income provider" means any of the following:

2 35 (1) A self-employed obligor. As used in this
3 1 subparagraph, "self-employed" means earning at least a portion
3 2 of the individual's income directly from the individual's own
3 3 business, trade, or profession rather than as a specified
3 4 salary or wages from an employer.

3 5 (2) A partnership or corporation from which an obligor
3 6 receives compensation in the form of wages, salary,
3 7 commissions, bonuses, or other income, if the obligor is a
3 8 partner, owner, or officer of the partnership or corporation.

3 9 (3) A partnership or corporation from which a partnership
3 10 or corporation specified in subparagraph (2) receives
3 11 compensation in the form of wages, salary, commissions,
3 12 bonuses, or other income.

3 13 b. "Support payments" means the same as in section
3 14 252D.16.

3 15 DIVISION III

3 16 CHILD SUPPORT ENFORCEMENT INFORMATION

3 17 Sec. 5. Section 252B.5, subsection 9, paragraph b,
3 18 unnumbered paragraph 1, Code 2009, is amended to read as
3 19 follows:

3 20 ~~Notwithstanding section 252B.9, the~~ The unit may forward
3 21 information to the department of administrative services as
3 22 necessary to implement this subsection, including but not
3 23 limited to both of the following:

3 24 Sec. 6. Section 252B.9, subsection 2, unnumbered paragraph
3 25 1, Code 2009, is amended to read as follows:

3 26 Notwithstanding other statutory provisions to the contrary,
3 27 including but not limited to chapters 22 and 217, as the
3 28 chapters relate to confidentiality of records maintained by
3 29 the department, the payment records of the collection services
3 30 center maintained under section 252B.13A ~~are public records~~
3 31 may be released, except when prohibited by federal law or
3 32 regulation, only as follows:

3 33 Sec. 7. Section 252B.9, subsection 2, paragraph a, Code
3 34 2009, is amended to read as follows:

3 35 a. ~~Payment records of the collection services center which~~
4 1 ~~are maintained pursuant to chapter 598 are public records and~~
4 2 ~~may be released upon request, for the administration of a plan~~
4 3 ~~or program approved under Title IV, XIX, or XXI of the federal~~
4 4 ~~Social Security Act, as amended, and as otherwise permitted~~
4 5 ~~under Title IV=D of the federal Social Security Act, as~~
4 6 ~~amended. Payment records of the clerk of the district court,~~
4 7 ~~to which the department has access to meet the requirements of~~
4 8 ~~a state disbursement unit, are also public records and may be~~
4 9 ~~released upon request. A payment record shall not include~~
4 10 address or location information.

4 11 Sec. 8. Section 252B.9, subsection 2, paragraph b,
4 12 unnumbered paragraph 1, Code 2009, is amended to read as
4 13 follows:

4 14 ~~Except as otherwise provided in subsection 1, the~~ The
4 15 department ~~shall not may~~ release details related to payment
4 16 records or provide alternative formats for release of the
4 17 information, ~~with the following additional exceptions for the~~
4 18 ~~administration of a plan or program under Title IV=D of the~~
4 19 ~~federal Social Security Act, as amended, including as follows:~~

4 20 Sec. 9. Section 252B.9, subsection 2, paragraph b,
4 21 subparagraph (1), Code 2009, is amended to read as follows:

4 22 (1) The unit or collection services center may provide
4 23 ~~additional~~ detail or present the information in an alternative
4 24 format to an individual or to the individual's legal
4 25 representative if the individual owes or is owed a support
4 26 obligation, to an agency assigned the obligation as the result

4 27 of receipt by a party of public assistance, to an agency
4 28 charged with enforcing child support pursuant to Title IV-D of
4 29 the federal Social Security Act, as amended, or to the court.
4 30 Sec. 10. Section 252B.9, subsection 3, paragraph e, Code
4 31 2009, is amended to read as follows:
4 32 e. Information may be released if directly connected with
4 33 any of the following:
4 34 (1) The administration of ~~the a~~ plan or program approved
4 35 under Title ~~I, IV-A, IV-B, IV-D, IV-E, X, XIV, XVI, IV, XIX,~~
5 1 ~~or XX XXI, or the supplemental security income program~~
~~5 2 established under Title XVI, of the federal Social Security~~
5 3 ~~Act, as amended.~~
5 4 (2) Any investigations, prosecutions, or criminal or civil
5 5 proceeding conducted in connection with the administration of
5 6 any such plan or program.
5 7 ~~(3) The administration of any other federal or federally~~
~~5 8 assisted program which provides assistance in cash or in kind~~
~~5 9 or provides services, directly to individuals on the basis of~~
~~5 10 need.~~
5 11 ~~(4)~~ (3) Reporting to an appropriate agency or official of
5 12 ~~any such plan or program~~, information on known or suspected
5 13 instances of physical or mental injury, sexual abuse or
5 14 exploitation, or negligent treatment or maltreatment of a
5 15 child who is the subject of a child support enforcement action
5 16 under circumstances which indicate that the child's health or
5 17 welfare is threatened.
5 18 Sec. 11. Section 252B.9, subsection 3, paragraph g, Code
5 19 2009, is amended to read as follows:
5 20 g. The child support recovery unit ~~shall~~ may release
5 21 information ~~relating to an absent parent to another unit of~~
~~5 22 the department pursuant to a written request for the~~
~~5 23 information approved by the director or the director's~~
~~5 24 designee for the administration of a plan or program approved~~
~~5 25 under Title IV, XIX, or XXI of the federal Social Security~~
~~5 26 Act, as amended, specified under subsection 2 or this~~
~~5 27 subsection, to the extent the release of information does not~~
~~5 28 interfere with the unit meeting its own obligations under~~
~~5 29 Title IV-D of the federal Social Security Act, as amended, and~~
~~5 30 subject to requirements prescribed by the federal office of~~
~~5 31 child support enforcement of the United States department of~~
~~5 32 health and human services.~~
5 33 Sec. 12. Section 252B.9A, subsection 1, Code 2009, is
5 34 amended to read as follows:
5 35 1. A person, except a court or government agency, who is
6 1 an authorized person to receive specified confidential
6 2 information under 42 U.S.C. } 653, may submit a written
6 3 request to the unit for disclosure of specified confidential
6 4 information regarding a nonrequesting party. The written
6 5 request shall comply with federal law and regulations,
6 6 ~~including any evidence and any payment to the federal office~~
~~6 7 of child support enforcement of the United States department~~
~~6 8 of health and human services required by federal law or~~
~~6 9 regulation, and shall include a sworn statement attesting to~~
6 10 the reason why the requester is an authorized person under 42
6 11 U.S.C. } 653, including that the requester would use the
6 12 confidential information only for purposes permitted in that
6 13 section.
6 14 Sec. 13. Section 252G.5, subsections 2 and 3, Code 2009,
6 15 are amended to read as follows:
6 16 2. State agencies as specified under 42 U.S.C. } 653A
6 17 which utilize income information for the determination of
6 18 eligibility or calculation of payments for benefit or
6 19 entitlement payments unless prohibited under federal law.
6 20 3. State agencies ~~which utilize income information for the~~
~~6 21 recoupment of debts to the state operating employment security~~
~~6 22 and workers' compensation programs for the purposes of~~
~~6 23 administering such programs unless prohibited under federal~~
6 24 ~~law.~~
6 25 Sec. 14. Section 598.22, subsection 3, Code 2009, is
6 26 amended to read as follows:
6 27 3. An order or judgment entered by the court for temporary
6 28 or permanent support or for income withholding shall be filed
6 29 with the clerk. The orders have the same force and effect as
6 30 judgments when entered in the judgment docket and lien index
6 31 and are records open to the public. Unless otherwise provided
6 32 by federal law, if it is possible to identify the support
6 33 order to which a payment is to be applied, and if sufficient
6 34 information identifying the obligee is provided, the clerk or
6 35 the collection services center, as appropriate, shall disburse
7 1 the payments received pursuant to the orders or judgments
7 2 within two working days of the receipt of the payments. All

7 3 moneys received or disbursed under this section shall be
7 4 entered in records kept by the clerk, or the collection
7 5 services center, as appropriate, ~~which and the records kept by~~
7 6 ~~the clerk~~ shall be available to the public. The clerk or the
7 7 collection services center shall not enter any moneys paid in
7 8 the record book if not paid directly to the clerk or the
7 9 center, as appropriate, except as provided for trusts and
7 10 federal social security disability payments in this section,
7 11 and for tax refunds or rebates in section 602.8102, subsection
7 12 47.

7 13 Sec. 15. Section 598.26, subsection 1, Code 2009, is
7 14 amended to read as follows:

7 15 1. Until a decree of dissolution has been entered, the
7 16 record and evidence shall be closed to all but the court, its
7 17 officers, and the child support recovery unit of the
7 18 department of human services pursuant to section 252B.9.
7 19 However, the payment records of a temporary support order,
7 20 ~~whether maintained by the clerk of the district court or the~~
7 21 ~~department of human services,~~ are public records and may be
7 22 released upon request. Payment records shall not include
7 23 address or location information. No other person shall permit
7 24 a copy of any of the testimony, or pleading, or the substance
7 25 ~~thereof of any testimony or pleading,~~ to be made available to
7 26 any person other than a party to the action or a party's
7 27 attorney. Nothing in this subsection shall be construed to
7 28 prohibit publication of the original notice as provided by the
7 29 rules of civil procedure.

7 30 Sec. 16. EFFECTIVE DATE. This division of this Act takes
7 31 effect March 23, 2009.

7 32 EXPLANATION

7 33 Division I of this bill relates to withholding of an
7 34 employee's compensation by an employer for the purposes of
7 35 paying support payments and the premiums for a health benefit
8 1 plan to provide coverage for a child of the employee under a
8 2 support order. The division eliminates language currently
8 3 only published in the 2007 Iowa Acts, that would have taken
8 4 effect July 1, 2009, directing an employer to allocate funds
8 5 in a specific manner if an obligor was responsible for more
8 6 than one support obligation and the employee did not have
8 7 sufficient compensation available to meet the employee's share
8 8 for all such obligations. In place of the repealed
8 9 provisions, the division amends current law only by adding a
8 10 reference to an order as well as a notice in specifying the
8 11 amount of the employee's compensation to be withheld and by
8 12 eliminating language that is no longer necessary due to
8 13 passage of the dates referenced.

8 14 Division II of the bill provides for the required use of an
8 15 existing or establishment of a new single-owner personal
8 16 account for the sole purpose of obtaining support payments
8 17 owed by a child support obligor. If an obligor's support
8 18 payments are delinquent in an amount equal to payment for one
8 19 month, the child support recovery unit may file a motion with
8 20 the district court to order the use or establishment of such
8 21 an account. The provisions apply to income providers
8 22 including a self-employed obligor; a partnership or
8 23 corporation from which an obligor receives compensation if the
8 24 obligor is a partner, owner, or officer of the partnership or
8 25 corporation; or a partnership or corporation from which such a
8 26 partnership or corporation receives compensation. The
8 27 division specifies notice provisions, the provisions to be
8 28 included in an order, and provisions relating to modification
8 29 of the order. Failure to utilize or establish the account or
8 30 to authorize automatic withdrawal of the required account, as
8 31 specified, is punishable as contempt. The remedy provided in
8 32 the division is in addition to but does not affect or impair
8 33 any other remedy available or relieve an income provider of
8 34 any other duty specified by law.

8 35 Division III of the bill amends provisions regarding the
9 1 use and disclosure of confidential information relating to
9 2 child support enforcement in accordance with new federal
9 3 regulations. The division, in accordance with these federal
9 4 regulations, restricts the use and disclosure of such
9 5 information, including payment records, to only the
9 6 administration of the child support program under Title IV=D
9 7 of the federal Social Security Act, and to provide information
9 8 to other government agencies for programs under Title IV
9 9 [temporary assistance for needy families, family investment
9 10 program, and child welfare], Title XIX (Medicaid), and Title
9 11 XXI (state children's health insurance program) of the federal
9 12 Social Security Act. The division also requires evidence that
9 13 a person is authorized under federal law in order to access

9 14 parent locator services, and limits the government agencies
9 15 that may have access to the Iowa central employee registry.
9 16 The division takes effect March 23, 2009, the date the new
9 17 federal regulations are effective.
9 18 LSB 1666DP 83
9 19 pf/nh/5