



General Assembly

January Session, 2003

***Raised Bill No. 974***

LCO No. 3257

Referred to Committee on Human Services

Introduced by:  
(HS)

***AN ACT CONCERNING ADMINISTRATIVE ENFORCEMENT OF CHILD SUPPORT ORDERS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 52-362d of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2003*):

3 (a) Whenever an order of the Superior Court or a family support  
4 magistrate for support of a minor child or children is issued and such  
5 payments have been ordered to be made to the state acting by and  
6 through the IV-D agency and the person against whom such support  
7 order was issued owes past-due support in the amount of five  
8 hundred dollars or more, the state shall have a lien on any property,  
9 real or personal, in which such person has an interest to enforce  
10 payment of such past-due support after first providing such person  
11 with notice of intent to place such lien, and an opportunity for a  
12 hearing before a hearing officer to contest the amount of such past-due  
13 support. The lien for past-due child support shall be secured by the IV-  
14 D agency pursuant to procedures contained in the general statutes  
15 applicable to the type of property to be secured. Any such lien on real  
16 property may, at any time during which the obligor owes the amount

17 of past-due child support secured by such lien, be foreclosed in an  
18 action brought in a court of competent jurisdiction by the  
19 Commissioner of Social Services in a title IV-D case or by the person to  
20 whom the child support is due. [When past-due support is owing both  
21 to a family and to the state, the proceeds of the lien shall be applied to  
22 the family's current and past-due support first and, when such support  
23 is satisfied, to the state's past-due support.] A lien for past-due support  
24 arising in any other state shall be given full faith and credit by this  
25 state provided such other state has complied with its procedural rules  
26 relating to recording or serving of liens.

27 (b) On October 1, 1991, and monthly thereafter, the Department of  
28 Social Services shall compile a list of all obligors who owe overdue  
29 support in the amount of one thousand dollars or more accruing after  
30 the entry of an initial court order establishing a child support  
31 obligation. Any overdue support in an amount of one thousand dollars  
32 or more shall be subject to the reporting provisions of this section,  
33 [unless a court or family support magistrate makes a specific finding  
34 that the amount of such overdue support shall not be reported.] The  
35 state shall report to any participating consumer reporting agency, as  
36 defined in 15 USC 1681a(f), information regarding the amount of such  
37 overdue support owed by an obligor if the amount of such overdue  
38 support is one thousand dollars or more, on a computer tape in a  
39 format acceptable to the consumer reporting agency. Such information  
40 shall be reported by the department only after notice has been sent by  
41 the department to such obligor of the proposed action, and such  
42 obligor is given an opportunity for a hearing before a hearing officer of  
43 the department to contest the amount of the alleged arrearage. Any  
44 such notice sent to such obligor shall contain a telephone number and  
45 address of the Department of Social Services and shall contain the  
46 following language in bold type: "If you are no longer in arrears or  
47 have received this notice in error, please contact the department at the  
48 following address or telephone number." On a monthly basis, the  
49 Department of Social Services shall provide to each consumer  
50 reporting agency informed of the original arrearage of an obligor

51 updated information concerning any such obligor and the status of  
52 payments, including a list of obligors who no longer owe overdue  
53 support, in such acceptable computer format. The department shall  
54 designate one or more persons in the department to receive telephone  
55 or other requests from an obligor or a consumer reporting agency  
56 regarding verification of information supplied to a consumer reporting  
57 agency. The department shall respond to any such request within five  
58 working days of its receipt. Upon satisfactory verification that an  
59 obligor is no longer in arrears, the department shall send a statement  
60 to such obligor, and such statement shall constitute proof to a creditor  
61 that such obligor is no longer in arrears as of the date of the statement.  
62 A participating consumer reporting agency which receives such  
63 updated information from the department that an obligor no longer  
64 owes any overdue support shall record such information within thirty  
65 days of receipt of such notification unless the information was in a  
66 format which was unusable by the agency or contained an error which  
67 prevented the agency from matching the updated information to  
68 previously supplied data. Any consumer reporting agency which  
69 negligently or wilfully fails to use reasonable efforts to comply with  
70 any requirement imposed under this subsection with respect to an  
71 obligor shall be liable to such obligor in an amount equal to the sum of  
72 (1) any actual damages sustained by the obligor as a result of such  
73 failure, and (2) a reasonable attorney's fee as determined by the court.

74 (c) [The Connecticut Lottery Corporation,] When any person  
75 redeems a winning lottery ticket worth five thousand dollars or more,  
76 at the central office of the Connecticut Lottery Corporation, the  
77 Connecticut Lottery Corporation shall check the name and other  
78 identifying information of such person against a list of obligors  
79 supplied by the Commissioner of Social Services. If such person is  
80 included on the list of obligors, the Connecticut Lottery Corporation  
81 shall request confirmation from the Commissioner of Social Services  
82 that such person is in fact an obligor, and upon notification by the  
83 Commissioner of Social Services that money is due from any such  
84 person as a result of a claim for support which has been assigned to the

85 state pursuant to section 17b-77, or is to be paid to the state acting by  
86 and through the IV-D agency, the Connecticut Lottery Corporation  
87 shall withhold from any lottery winnings payable to such person  
88 under the provisions of chapter 226 or chapter 229a the amount of such  
89 claim for support owed to an individual for any portion of support  
90 which has not been assigned to the state and then the amount of such  
91 claim for support owed to the state, provided the Connecticut Lottery  
92 Corporation shall notify such person that (1) lottery winnings have  
93 been withheld as a result of the amount due for such support, and (2)  
94 such person has the right to a hearing before a hearing officer  
95 designated by the Commissioner of Social Services if such person  
96 contests the amount of the alleged claim for support. The Connecticut  
97 Lottery Corporation shall pay such persons in accordance with any  
98 decisions of the hearing officer or the court upon appeal of the hearing  
99 officer's decision.

100 (d) Whenever an order of the Superior Court or a family support  
101 magistrate of this state, or an order of another state that has been  
102 registered in this state, for support of a minor child or children is  
103 issued and such payments have been ordered through the IV-D  
104 agency, and the obligor against whom such support order was issued  
105 owes overdue support under such order in the amount of five hundred  
106 dollars or more, the IV-D agency, as defined in subdivision (12) of  
107 subsection (b) of section 46b-231, or Support Enforcement Services of  
108 the Superior Court may notify (1) any state or local agency with  
109 authority to distribute benefits to such obligor including, but not  
110 limited to, unemployment compensation and workers' compensation,  
111 (2) any person having or expecting to have custody or control of or  
112 authority to distribute any amounts due such obligor under any  
113 judgment or settlement, (3) any financial institution holding assets of  
114 such obligor, and (4) any public or private entity administering a  
115 public or private retirement fund in which such obligor has an interest  
116 that such obligor owes overdue support in a IV-D support case. Upon  
117 receipt of such notice, such agency, person, institution or entity shall  
118 withhold delivery or distribution of any such benefits, amounts, assets

119 or funds until receipt of further notice from the IV-D agency.

120 (e) In IV-D cases in which a notice is sent pursuant to subsection (d)  
121 of this section, the IV-D agency shall notify the obligor that such  
122 benefits, amounts, assets or funds have been withheld as a result of  
123 overdue support in a IV-D support case in accordance with an order of  
124 the Superior Court or family support magistrate of this state, or an  
125 order of another state that has been registered in this state. The IV-D  
126 agency shall further notify the agency, person, institution or entity to  
127 whom notice was sent pursuant to subsection (d) of this section as  
128 follows: (1) Upon expiration of the time for requesting a hearing  
129 specified in section 17b-60, to make payment to the state from any such  
130 benefits, amounts, assets or funds withheld in accordance with  
131 subsection (d) of this section [to satisfy such overdue support and any  
132 current support obligation] provided, in the case of retirement funds,  
133 such payment shall only be made in accordance with a withholding  
134 order issued under section 52-362 when the obligor is entitled to  
135 receive retirement benefits from such fund; (2) upon payment of such  
136 overdue support by such obligor, to release or distribute, as  
137 appropriate, such benefits, amounts, assets or funds to such obligor; or  
138 (3) upon issuance of a decision by the hearing officer or the court upon  
139 appeal of such officer's decision, to take such other action as may be  
140 ordered by such officer or such court, and such agency, person,  
141 institution or entity shall forthwith comply with such notice received  
142 from the IV-D agency.

143 (f) [When overdue support is] Support collected pursuant to this  
144 section [and overdue support is owing both to a family and to the  
145 state, the proceeds collected pursuant to subsection (e) of this section  
146 shall be applied to the family's overdue support first and, when the  
147 family's overdue support is satisfied, to the state's overdue support]  
148 shall be distributed as required by Title IV-D of the Social Security Act.

149 (g) The Commissioner of Social Services shall adopt regulations, in  
150 accordance with chapter 54, setting forth procedures providing for

151 adequate notice of (1) the right to a hearing before a hearing officer,  
152 and (2) procedures for a fair hearing for any person alleged by the  
153 commissioner to owe past-due or overdue child support to the state, or  
154 to an individual when the payments have been ordered payable to the  
155 state acting by and through the IV-D agency, if the commissioner has  
156 filed a lien on the property of such person or claimed an offset against  
157 money payable by the state to enforce a claim for payment of such  
158 past-due or overdue support, or intends to seize any benefits, amounts,  
159 assets or funds withheld in accordance with subsection (d) of this  
160 section or report such overdue support to a consumer credit agency.

161 Sec. 2. Subsection (c) of section 52-362e of the general statutes is  
162 repealed and the following is substituted in lieu thereof (*Effective*  
163 *October 1, 2003*):

164 (c) [When past-due support is] Support collected pursuant to  
165 [subsection (b) of] this section [and past-due support is owing both to a  
166 family and to the state, the proceeds collected shall be applied to the  
167 family's overdue support first and, when the family's overdue support  
168 is satisfied, to the state's overdue support] shall be distributed as  
169 required by Title IV-D of the Social Security Act.

This act shall take effect as follows:	
Section 1	<i>October 1, 2003</i>
Sec. 2	<i>October 1, 2003</i>

**Statement of Purpose:**

To increase the efficiency and effectiveness of the Title IV-D child support enforcement program by: (1) Establishing a mechanism for intercepting single payment lottery winnings for past-due child support; (2) extending the remedy of seizure of financial assets for overdue support to support orders entered in other states which are registered in Connecticut; (3) removing the authority of the family support magistrates to prevent credit reporting in qualified cases; and (4) ensuring that support obtained from certain administrative enforcement remedies is distributed in a manner consistent with federal law.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*