GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

S 1 SENATE BILL 188 Short Title: No Support/No License. (Public) Sponsors: Senators Rand, Perdue, Cochrane; Foxx, Edwards, and Ballantine. Referred to: Judiciary II/Election Laws. February 14, 1995 A BILL TO BE ENTITLED AN ACT TO REQUIRE REVOCATION OF THE LICENSING PRIVILEGES OF A PERSON WHO IS DELINQUENT IN CHILD SUPPORT PAYMENTS. The General Assembly of North Carolina enacts: Section 1. Chapter 50 of the General Statutes is amended by adding the following new section to read: "§ 50-13.12. Forfeiture of licensing privileges for failure to pay child support. As used in this section the term: (a) 'Licensing agency' means a department, division, agency, officer, board, (1) or other unit of State or local government that issues licenses for licensing privileges. 'Licensing privilege' means the privilege of an individual to be <u>(2)</u> authorized to engage in an activity as evidenced by the following licenses: regular and commercial drivers licenses, occupational licenses, hunting and trapping licenses and permits, and fishing licenses and permits. 'Mistake of fact' means that the obligor: (3) Is not delinquent in an amount equal to or greater than 90 days of a. support payments; or

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Is not the person subject to the court order of support for the 1 b. 2 child named in the advance notice of revocation; or 3 Does not owe the amount of delinquent support specified in the <u>c.</u> advance notice of revocation. 4 5 <u>(4)</u> 'Obligee' means a person or State agency to whom a child support 6 obligation is owed under a court order or agreement to support as 7 provided in Chapters 50 and 110 of the General Statutes. 8 'Obligor' means a person who is required to pay child support under a <u>(5)</u> 9 court order or agreement of support as provided in Chapters 50 and 110 10 of the General Statutes. 'Occupational license' means a licensure, permission, certification, or 11 <u>(6)</u> 12 similar authorization required by statute or rule to practice an occupation or business. The term does not include a tax license issued 13 14 under Chapter 105 of the General Statutes, Article 7 of Chapter 153A of the General Statutes, or Article 9 of Chapter 160A of the General 15 Statutes. 16 17 If an obligor is found by the court to be delinquent in child support payments 18 in an amount equal to or greater than 90 days of support payments, then the obligor automatically forfeits the obligor's licensing privileges until such time as the clerk of 19 superior court certifies that the obligor is no longer delinquent in child support payments. 20 The clerk shall certify that an obligor is no longer delinquent in child support payments if 21 22 the obligor has either: 23 Paid the delinquency in full, or (1) 24 (2) Has entered into an agreement with the obligee to make payments against the delinquency over a period of time and has paid the obligee 25 an amount equal to at least 30 days' child support to reduce the amount 26 of support that is delinquent. 27 When an obligor is delinquent in child support payments in an amount equal to 28 (c) 29 or greater than 90 days of support payments, the clerk shall, after verifying the obligor's mailing address, serve the obligor with advance notice of revocation of the obligor's 30 licensing privileges in accordance with G.S. 1A-1, Rule 4, Rules of Civil Procedure. The 31 advance notice to the obligor shall contain, at a minimum, the following information: 32 The name of each child for whose benefit the child support is due, and 33 (1) information sufficient to identify the court order or agreement to support 34 35 under which the obligor has a duty to support the child; The amount of delinquent support and the period for which the support 36 (2) is delinquent; 37 38 An explanation of the obligor's rights and responsibilities under this <u>(3)</u> 39 section; and That upon a finding of delinquency in an amount equal to or greater 40 <u>(4)</u> than 90 days of support payments, the obligor's licensing privileges will 41

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be automatically revoked, that the revocation will remain in effect until

the clerk certifies that the obligor is no longer delinquent in child support payments.

- (d) The obligor may contest the revocation only on the basis of mistake of fact. To contest the revocation, the obligor must, within 10 days of receipt of the advance notice of revocation, request a hearing in the county where the support order was entered before the district court and give notice to the obligee specifying the mistake of fact upon which the hearing request is based. If the asserted mistake of fact can be resolved by agreement between the obligee and the obligor, no hearing shall occur. Otherwise, a hearing shall be held and a determination made, within 30 days of the obligor's receipt of the advance notice of revocation as to whether the asserted mistake of fact is valid. No revocation shall occur pending the hearing decision. The failure to hold a hearing within 30 days shall not invalidate an otherwise properly entered order. If it is determined that a mistake of fact exists, no revocation shall occur. Otherwise, within 45 days of the obligor's receipt of the advance notice of revocation, the obligor's licensing privileges shall be revoked and the obligor shall not be eligible for reinstatement of the privileges until the clerk certifies that the obligor is no longer delinquent.
- (e) Upon a finding that an obligor is delinquent in child support payments as provided under subsection (b) of this section, the clerk shall notify the appropriate licensing agencies that the obligor is delinquent in child support payments and that the obligor's licensing privileges are revoked until such time as the licensing agency receives proof of certification by the clerk that the obligor is no longer delinquent in child support payments.
- An obligor may file a request with the clerk of superior court for certification that the obligor is no longer delinquent in child support payments upon submission of proof that the obligor has paid the delinquent amount in full, or has made arrangements with the obligee to make payments against the delinquency over a period of time and has paid the obligee an amount equal to at least 30 days' child support to reduce the amount of support that is delinquent. The clerk shall provide a form to be used by the obligor for a request for certification. If the clerk finds that the obligor has met the requirements for reinstatement under this subsection, then the clerk shall certify that the obligor is no longer delinquent and shall provide a copy of the certification to the obligor. The obligor shall provide a copy of the certification to each licensing agency to which the obligor applies for reinstatement of licensing privileges. Upon receipt of a copy of the certification, the licensing agency shall reinstate the licensing privilege."
- Sec. 2. Chapter 110 of the General Statutes is amended by adding the following new section to read:

"§ 110-136.11. Forfeiture of licensing privileges for failure to pay child support.

- (a) As used in this section the term:
 - (1) <u>'Licensing agency' means a department, division, agency, officer, board, or other unit of State or local government that issues licenses for licensing privileges.</u>
 - (2) 'Licensing privilege' means the privilege of an individual to be authorized to engage in an activity as evidenced by the following

1			licenses: regular and commercial drivers licenses, occupational licenses,
2			hunting and trapping licenses and permits, and fishing licenses and
3			permits.
4	<u> </u>	<u>(3)</u>	'Mistake of fact' means that the obligor:
5			<u>a.</u> <u>Is not delinquent in an amount equal to or greater than 90 days of</u>
6			support payments; or
7			<u>b.</u> <u>Is not the person subject to the court order of support for the</u>
8			child named in the advance notice of revocation; or
9			<u>c.</u> Does not owe the amount of delinquent support specified in the
10			advance notice of revocation.
11	<u>.</u>	<u>(4)</u>	'Obligee' means a person or State agency to whom a child support
12			obligation is owed under a court order or agreement to support as
13			provided in Chapters 50 and 110 of the General Statutes.
14	<u>.</u>	<u>(5)</u>	'Obligor' means a person who is required to pay child support under a
15			court order or agreement of support as provided in Chapters 50 and 110
16		(6)	of the General Statutes.
17	<u> </u>	<u>(6)</u>	'Occupational license' means a licensure, permission, certification, or
18			similar authorization required by statute or rule to practice an
19			occupation or business. The term does not include a tax license issued
20			under Chapter 105 of the General Statutes, Article 7 of Chapter 153A of
21			the General Statutes, or Article 9 of Chapter 160A of the General
22	4 > -	- 0	Statutes.
23			obligor is found by the court to be delinquent in child support payments
24			qual to or greater than 90 days of support payments, then the obligor
25		-	orfeits the obligor's licensing privileges until such time as the clerk of
26			ertifies that the obligor is no longer delinquent in child support payments.
27	The clerk shall certify that an obligor is no longer delinquent in child support payments if		
28	the obligor		
29	-	(<u>1)</u>	Paid the delinquency in full, or
30	<u>(</u>	<u>(2)</u>	Has entered into an agreement with the obligee to make payments
31			against the delinquency over a period of time and has paid the obligee
32			an amount equal to at least 30 days' child support to reduce the amount
33	(-)	X 71	of support that is delinquent.
34			an obligor is delinquent in child support payments in an amount equal to
35			00 days of support payments, the clerk shall, after verifying the obligor's
36			serve the obligor with advance notice of revocation of the obligor's
37			ges in accordance with G.S. 1A-1, Rule 4, Rules of Civil Procedure. The
38			o the obligor shall contain, at a minimum, the following information:
39	<u>.</u>	<u>(1)</u>	The name of each child for whose benefit the child support is due, and information sufficient to identify the court order or agreement to support
40			information sufficient to identify the court order or agreement to support
41 42		(2)	under which the obligor has a duty to support the child; The amount of delinquent support and the period for which the support
	<u>.</u>	<u>(2)</u>	The amount of delinquent support and the period for which the support is delinquent:
43			is delinquent;

- An explanation of the obligor's rights and responsibilities under this section; and

 That upon a finding of delinquency in an amount equal to or greater
 - (4) That upon a finding of delinquency in an amount equal to or greater than 90 days of support payments, the obligor's licensing privileges will be automatically revoked, that the revocation will remain in effect until the clerk certifies that the obligor is no longer delinquent in child support payments.
 - (d) The obligor may contest the revocation only on the basis of mistake of fact. To contest the revocation, the obligor must, within 10 days of receipt of the advance notice of revocation, request a hearing in the county where the support order was entered before the district court and give notice to the obligee specifying the mistake of fact upon which the hearing request is based. If the asserted mistake of fact can be resolved by agreement between the obligee and the obligor, no hearing shall occur. Otherwise, a hearing shall be held and a determination made, within 30 days of the obligor's receipt of the advance notice of revocation as to whether the asserted mistake of fact is valid. No revocation shall occur pending the hearing decision. The failure to hold a hearing within 30 days shall not invalidate an otherwise properly entered order. If it is determined that a mistake of fact exists, no revocation shall occur. Otherwise, within 45 days of the obligor's receipt of the advance notice of revocation, the obligor's licensing privileges shall be revoked and the obligor shall not be eligible for reinstatement of the privileges until the clerk certifies that the obligor is no longer delinquent.
 - (e) Upon a finding that an obligor is delinquent in child support payments as provided under subsection (b) of this section, the clerk shall notify the appropriate licensing agencies that the obligor is delinquent in child support payments and that the obligor's licensing privileges are revoked until such time as the licensing agency receives proof of certification by the clerk that the obligor is no longer delinquent in child support payments.
 - An obligor may file a request with the clerk of superior court for certification that the obligor is no longer delinquent in child support payments upon submission of proof that the obligor has paid the delinquent amount in full, or has made arrangements with the obligee to make payments against the delinquency over a period of time and has paid the obligee an amount equal to at least 30 days' child support to reduce the amount of support that is delinquent. The clerk shall provide a form to be used by the obligor for a request for certification. If the clerk finds that the obligor has met the requirements for reinstatement under this subsection, then the clerk shall certify that the obligor is no longer delinquent and shall provide a copy of the certification to the obligor. The obligor shall provide a copy of the certification to each licensing agency to which the obligor applies for reinstatement of licensing privileges. Upon receipt of a copy of the certification, the licensing agency shall reinstate the licensing privilege."
 - Sec. 3. G.S. 50-13.9(d) reads as rewritten:
 - "(d) In a non-IV-D case, when an obligor fails to make a required payment of child support and is in arrears, the clerk of superior court shall mail by regular mail to the last known address of the obligor a notice of delinquency. The notice shall set out the

amount of child support currently due and shall demand immediate payment of said amount. The notice shall also state that failure to make immediate payment will result in the issuance by the court of an enforcement order requiring the obligor to appear before a district court judge and show cause why the support obligation should not be enforced by income withholding, contempt of court, or other appropriate means. Failure to receive the delinquency notice shall not be a defense in any subsequent proceeding. Sending the notice of delinquency shall be in the discretion of the clerk if the clerk has, during the previous 12 months, sent a notice or notices of delinquency to the obligor for nonpayment, or if income withholding has been implemented against the obligor or the obligor has been previously found in contempt for nonpayment under the same child support order.

If the arrearage is not paid in full within 21 days after the mailing of the delinquency notice, or without waiting the 21 days if the clerk has elected not to mail a delinquency notice for any of the reasons provided herein, the clerk shall cause an enforcement order to be issued and shall issue a notice of hearing before a district court judge. The enforcement order shall order the obligor to appear and show cause why he should not be subjected to income withholding or adjudged in contempt of court, or both, and shall order the obligor to bring to the hearing records and information relating to his employment and the amount and sources of his disposable income. The enforcement order shall state:

- (1) That the obligor is under a court order to provide child support, the name of each child for whose benefit support is due, and information sufficient to identify the order;
- (2) That the obligor is delinquent and the amount of overdue support;
- (2a) That if the obligor is delinquent in an amount equal to or more than 90 days of support payments, then the obligor's licensing privileges will be automatically revoked and the licenses will remain revoked until such time as the clerk of superior court certifies that the obligor has either paid the delinquency in full or has reached an agreement with the obligee to make payments against the delinquency over a period of time and has paid the obligee an amount equal to at least 30 days' child support to reduce the amount of support that is delinquent;
- (3) That the court may order income withholding if the obligor is delinquent in an amount equal to the support due for one month;
- (4) That income withholding, if implemented, will apply to the obligor's current payors and all subsequent payors and will be continued until terminated pursuant to G.S. 110-136.10;
- (5) That failure to bring to the hearing records and information relating to his employment and the amount and sources of his disposable income will be grounds for contempt;
- (6) That if income withholding is not an available or appropriate remedy, the court may determine whether the obligor is in contempt or whether any other enforcement remedy is appropriate.

The enforcement order may be signed by the clerk or a district court judge, and shall be served on the obligor pursuant to G.S. 1A-1, Rule 4, Rules of Civil Procedure. The clerk shall also notify the party to whom support is owed of the pending hearing. The clerk may withdraw the order to the supporting party upon receipt of the delinquent payment. On motion of the person to whom support is owed, with the approval of the district court judge, if he—the district court judge finds it is in the best interest of the child, no enforcement order shall be issued—issued, nor shall the licensing privileges be revoked.

When the matter comes before the court, the court shall proceed as in the case of a motion for income withholding under G.S. 110-136.5. If income withholding is not an available or adequate remedy, the court may proceed with contempt, imposition of a lien, or other available, appropriate enforcement remedies. This subsection shall apply only to non-IV-D cases, except that the clerk shall issue an enforcement order in a IV-D case when requested to do so by an IV-D obligee."

Sec. 4. G.S. 20-15.1 reads as rewritten:

"§ 20-15.1. Revocations when licensing privileges forfeited after conviction of a crime. forfeited.

The Division shall revoke the license of a person whose licensing privileges have been forfeited under G.S. 15A-1331A. 15A-1331A, 50-13.12, or 110-136.11. If a revocation period set by this Chapter is longer than the revocation period resulting from the forfeiture of licensing privileges, the revocation period in this Chapter applies."

Sec. 5. G.S. 20-24 reads as rewritten:

"§ 20-24. When court to forward license to Division and report convictions convictions, child support delinquencies, and prayers for judgment continued.

(a) License. – A court that convicts a person of an offense that requires revocation of the person's drivers license license, or that finds a person delinquent in child support payments pursuant to G.S. 50-13.12 or G.S. 110-136.11, shall require the person to give the court any regular or commercial drivers license issued to that person. A court that convicts a person of an offense that requires disqualification of the person but would not require revocation of a regular drivers license issued to that person shall require the person to give the court any Class A or Class B regular drivers license and any commercial drivers license issued to that person.

The clerk of court shall accept a drivers license required to be given to the court under this subsection. A clerk of court who receives a drivers license shall give the person whose license is received a copy of a dated receipt for the license. The receipt must be on a form approved by the Commissioner. A revocation or disqualification for which a license is received under this subsection is effective as of the date on the receipt for the license.

The clerk of court shall notify the Division of a license received under this subsection either by forwarding to the Division the license, a record of the conviction for which the license was received, a copy of the court order of child support delinquency for which the license was received, and the original dated receipt for the license or by electronically sending to the Division the information on the license, the record of eonviction, conviction

 or court order of child support delinquency, and the receipt given for the license. The clerk of court must forward the required items unless the Commissioner has given the clerk of court approval to notify the Division electronically. If the clerk of court notifies the Division electronically, the clerk of court must destroy a license received after sending to the Division the required information. The clerk of court shall notify the Division within 30 days after entry of the conviction or court order of child support delinquency for which the license was received.

- (b) <u>Convictions-Convictions, court orders of child support delinquency,</u> and PJCs. The clerk of court shall send the Division a record of any of the following:
 - (1) A conviction of a violation of a law regulating the operation of a vehicle.
 - (2) A conviction for which the convicted person is placed on probation and a condition of probation is that the person not drive a motor vehicle for a period of time, stating the period of time for which the condition applies.
 - (3) A conviction of a felony in the commission of which a motor vehicle is used, when the judgment includes a finding that a motor vehicle was used in the commission of the felony.
 - (4) A conviction that requires revocation of the drivers license of the person convicted and is not otherwise reported under subdivision (1).
 - (4a) A court order of child support delinquency pursuant to G.S. 50-13.12 or G.S. 110-136.11.
 - (5) An order entering prayer for judgment continued in a case involving an alleged violation of a law regulating the operation of a vehicle.

With the approval of the Commissioner, the clerk of court may forward a record of conviction conviction, court order of child support delinquency, or prayer for judgment continued to the Division by electronic data processing means.

- (b1) In any case in which the Division, for any reason, does not receive a record of a conviction or a prayer for judgment continued until more than one year after the date it is entered, the Division may, in its discretion, substitute a period of probation for all or any part of a revocation or disqualification required because of the conviction or prayer for judgment continued.
 - (c) Repealed by Session Laws 1991, c. 726, s. 10.
- (d) Scope. This Article governs drivers license revocation and disqualification. A drivers license may not be revoked and a person may not be disqualified except in accordance with this Article.
- (e) Special Information. A judgment for a conviction for an offense for which special information is required under this subsection shall, when appropriate, include a finding of the special information. The convictions for which special information is required and the specific information required is as follows:
 - (1) Homicide. If a conviction of homicide involves impaired driving, the judgment must indicate that fact.

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- G.S. 20-138.1, Driving While Impaired. If a conviction under G.S. 20-(2) 138.1 involves a commercial motor vehicle, the judgment must indicate that fact. If a conviction under G.S. 20-138.1 involves a commercial motor vehicle that was transporting a hazardous substance required to be placarded, the judgment must indicate that fact.
- (3) G.S. 20-138.2, Driving Commercial Motor Vehicle While Impaired. – If the commercial motor vehicle involved in an offense under G.S. 20-138.2 was transporting a hazardous material required to be placarded, a judgment for that offense must indicate that fact.
- (4) G.S. 20-166, Hit and Run. – If a conviction under G.S. 20-166 involves a commercial motor vehicle, the judgment must indicate that fact. If a conviction under G.S. 20-166 involves a commercial motor vehicle that was transporting a hazardous substance required to be placarded, the judgment must indicate that fact.
- (5) Felony Using Commercial Motor Vehicle. – If a conviction of a felony in which a commercial motor vehicle was used involves the manufacture, distribution, or dispensing of a controlled substance, or possession with intent to manufacture, distribute, or dispense a controlled substance, the judgment must indicate that fact. commercial motor vehicle used in a felony was transporting a hazardous substance required to be placarded, the judgment for that felony must indicate that fact."

Sec. 6. G.S. 20-28(a) reads as rewritten:

"§ 20-28. Unlawful to drive while license revoked or while disqualified.

Driving While License Revoked. – Except as provided in subsection (a1) of this section. Any any person whose drivers license has been revoked who drives any motor vehicle upon the highways of the State while the license is revoked is guilty of a Class 1 misdemeanor. Upon conviction, the person's license shall be revoked for an additional period of one year for the first offense, two years for the second offense, and permanently for a third or subsequent offense.

The restoree of a revoked drivers license who operates a motor vehicle upon the highways of the State without maintaining financial responsibility as provided by law shall be punished as for operating driving without a drivers-license."

Sec. 7. G.S. 20-28(a1) reads as rewritten:

- "(a1) Driving Without Reclaiming License. A person convicted under subsection (a) shall be punished as if he-the person had been convicted of driving without a license under G.S. 20-7-20-35 if he the person demonstrates to the court that: that either subdivisions (1) and (2), or subdivision (3) of this subsection is true:
 - At the time of the offense, his the person's license was revoked solely (1) under G.S. 20-16.5; 20-16.5, and
 - a. The offense occurred more than 30 days after the effective date of a (2) revocation order issued under G.S. 20-16.5(f) and the period of

revocation was 30 days as provided under subdivision (3) of that subsection; subsection, or

- b. The offense occurred more than 10 days after the effective date of the revocation order issued under any other provision of G.S. 20-16.5. 20-16.5; or
- At the time of the offense the person had met the requirements of G.S. 50-13.12(f) or G.S. 110-136.11(f) and was eligible for reinstatement of the person's drivers license privilege as provided therein.

In addition, a person punished under this subsection shall be treated for drivers license and insurance rating purposes as if he the person had been convicted of driving without a license under G.S. 20-7, 20-35, and the conviction report sent to the Division must indicate that the person is to be so treated."

Sec. 8. Chapter 93B of the General Statutes is amended by adding the following new section to read:

"§ 93B-12. Revocation when licensing privilege forfeited for nonpayment of child support.

- (a) Upon receipt of a court order that a licensee under an occupational licensing board's jurisdiction has forfeited his or her occupational license pursuant to G.S. 50-13.12 or G.S. 110-136.11, then the occupational licensing board shall revoke the occupational license of that licensee. The revocation shall remain in effect until the licensee has applied for reinstatement and the application is accompanied by certification by the clerk of superior court that the licensee is no longer delinquent in child support payments.
- (b) If at the time the occupational licensing board revokes a license pursuant to subsection (a) of this section the occupational licensing board has revoked the same license under the licensing board's disciplinary authority over licensees under its jurisdiction, and that revocation period is greater than the revocation period resulting from forfeiture pursuant to G.S. 50-13.2 or G.S. 110-136.11, then the revocation period imposed by the occupational licensing board applies.
- (c) Immediately upon receipt of an application for reinstatement accompanied by certification by the clerk of superior court that the licensee whose license was revoked pursuant to subsection (a) of this section is no longer delinquent in child support payments, the occupational licensing board shall reinstate the license. Reinstatement of a license pursuant to this section shall be made at no additional cost to the licensee."

Sec. 9. G.S. 150B-3 reads as rewritten:

"§ 150B-3. Special provisions on licensing.

(a) When an applicant or a licensee makes a timely and sufficient application for issuance or renewal of a license or occupational license, including the payment of any required license fee, the existing license or occupational license does not expire until a decision on the application is finally made by the agency, and if the application is denied or the terms of the new license or occupational license are limited, until the last day for applying for judicial review of the agency order. This subsection does not affect agency action summarily suspending a license or occupational license under subsections (b) and (c) of this section.

- (b) Before the commencement of proceedings for the suspension, revocation, annulment, withdrawal, recall, cancellation, or amendment of any license other than an occupational license, the agency shall give notice to the licensee, pursuant to the provisions of G.S. 150B-23. Before the commencement of such proceedings involving an occupational license, the agency shall give notice pursuant to the provisions of G.S. 150B-38. In either case, the licensee shall be given an opportunity to show compliance with all lawful requirements for retention of the license or occupational license.
- (c) If the agency finds that the public health, safety, or welfare requires emergency action and incorporates this finding in its order, summary suspension of a license or occupational license may be ordered effective on the date specified in the order or on service of the certified copy of the order at the last known address of the licensee, whichever is later, and effective during the proceedings. The proceedings shall be promptly commenced and determined.

Nothing in this subsection shall be construed as amending or repealing any special statutes, in effect prior to February 1, 1976, which provide for the summary suspension of a license.

- (d) This section does not apply to revocations of occupational licenses based solely on a court order of child support delinquency issued pursuant to G.S. 50-13.12 and G.S. 110-136.11."
- Sec. 10. This act becomes effective January 1, 1996, and applies to child support obligations delinquent on and after that date.