#### **SENATE BILL 296\***

Short Title: DSS Changes 2-AB.

Sponsors:Senator Rand.Referred to:Children & Human Resources.

#### March 5, 2001

#### A BILL TO BE ENTITLED

AN ACT TO MAKE CLARIFYING AND OTHER CHANGES TO THE GENERAL
 STATUTES PERTAINING TO CHILD SUPPORT.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 50-13.4 reads as rewritten:

#### 6 "§ 50-13.4. Action for support of minor child.

7 (a) Any parent, or any person, agency, organization or institution having custody 8 of a minor child, or bringing an action or proceeding for the custody of such child, or a 9 minor child by his guardian may institute an action for the support of such child as 10 hereinafter provided.

11 (b) In the absence of pleading and proof that the circumstances otherwise warrant, the father and mother shall be primarily liable for the support of a minor child. 12 In the absence of pleading and proof that the circumstances otherwise warrant, parents 13 14 of a minor, unemancipated child who is the custodial or noncustodial parent of a child shall share this primary liability for their grandchild's support with the minor parent, the 15 court determining the proper share, until the minor parent reaches the age of 18 or 16 becomes emancipated. If both the parents of the child requiring support were 17 18 unemancipated minors at the time of the child's conception, the parents of both minor 19 parents share primary liability for their grandchild's support until both minor parents reach the age of 18 or become emancipated. If only one parent of the child requiring 20 support was an unemancipated minor at the time of the child's conception, the parents of 21 both parents are liable for any arrearages in child support owed by the adult or 22 emancipated parent until the other parent reaches the age of 18 or becomes 23 24 emancipated. In the absence of pleading and proof that the circumstances otherwise warrant, any other person, agency, organization or institution standing in loco parentis 25 shall be secondarily liable for such support. Such other circumstances may include, but 26 shall not be limited to, the relative ability of all the above-mentioned parties to provide 27 support or the inability of one or more of them to provide support, and the needs and 28

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estate of the child. The judge may enter an order requiring any one or more of the 1 2 above-mentioned parties to provide for the support of the child as may be appropriate in 3 the particular case, and if appropriate the court may authorize the application of any separate estate of the child to his support. However, the judge may not order support to 4 5 be paid by a person who is not the child's parent or an agency, organization or 6 institution standing in loco parentis absent evidence and a finding that such person, agency, organization or institution has voluntarily assumed the obligation of support in 7 8 writing. The preceding sentence shall not be construed to prevent any court from 9 ordering the support of a child by an agency of the State or county which agency may 10 be responsible under law for such support.

11 Responsible parents in a IV-D establishment case may be ordered by the judge to 12 perform a job search, if the responsible parent is not incapacitated. This includes IV-D 13 cases in which the responsible parent is a noncustodial mother or a noncustodial father 14 whose affidavit of parentage has been filed with the court or when paternity is not at 15 issue for the child. The court may further order the responsible parent to participate in 16 work activities, as defined in 42 U.S.C. § 607, as the court deems appropriate.

17 (c) Payments ordered for the support of a minor child shall be in such amount as 18 to meet the reasonable needs of the child for health, education, and maintenance, having due regard to the estates, earnings, conditions, accustomed standard of living of the 19 20 child and the parties, the child care and homemaker contributions of each party, and 21 other facts of the particular case. Payments ordered for the support of a minor child shall 22 be on a monthly basis, due and payable on the first day of each month. The requirement 23 that orders be established on a monthly basis does not affect the availability of 24 garnishment of disposable earnings based on an obligor's pay period.

25 The court shall determine the amount of child support payments by applying the presumptive guidelines established pursuant to subsection (c1). However, upon request 26 27 of any party, the Court shall hear evidence, and from the evidence, find the facts relating to the reasonable needs of the child for support and the relative ability of each parent to 28 29 provide support. If, after considering the evidence, the Court finds by the greater weight 30 of the evidence that the application of the guidelines would not meet or would exceed the reasonable needs of the child considering the relative ability of each parent to 31 32 provide support or would be otherwise unjust or inappropriate the Court may vary from 33 the guidelines. If the court orders an amount other than the amount determined by 34 application of the presumptive guidelines, the court shall make findings of fact as to the 35 criteria that justify varying from the guidelines and the basis for the amount ordered.

36 Payments ordered for the support of a child shall terminate when the child reaches37 the age of 18 except:

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- (1) If the child is otherwise emancipated, payments shall terminate at that time;
- 40(2)If the child is still in primary or secondary school when the child41reaches age 18, support payments shall continue until the child42graduates, otherwise ceases to attend school on a regular basis, fails to43make satisfactory academic progress towards graduation, or reaches

1 2 age 20, whichever comes first, unless the court in its discretion orders that payments cease at age 18 or prior to high school graduation.

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

Effective July 1, 1990, the Conference of Chief District Judges shall prescribe 7 (c1)8 uniform statewide presumptive guidelines for the computation of child support 9 obligations of each parent as provided in Chapter 50 or elsewhere in the General 10 Statutes and shall develop criteria for determining when, in a particular case, application of the guidelines would be unjust or inappropriate. Prior to May 1, 1990 these 11 12 guidelines and criteria shall be reported to the General Assembly by the Administrative Office of the Courts by delivering copies to the President Pro Tempore of the Senate 13 14 and the Speaker of the House of Representatives. The purpose of the guidelines and 15 criteria shall be to ensure that payments ordered for the support of a minor child are in such amount as to meet the reasonable needs of the child for health, education, and 16 17 maintenance, having due regard to the estates, earnings, conditions, accustomed 18 standard of living of the child and the parties, the child care and homemaker contributions of each party, and other facts of the particular case. The guidelines shall 19 20 include a procedure for setting child support, if any, in a joint or shared custody 21 arrangement which shall reflect the other statutory requirements herein.

Periodically, but at least once every four years, the Conference of Chief District 22 23 Judges shall review the guidelines to determine whether their application results in 24 appropriate child support award amounts. The Conference may modify the guidelines accordingly. The Conference shall give the Department of Health and Human Services, 25 the Administrative Office of the Courts, and the general public an opportunity to 26 27 provide the Conference with information relevant to the development and review of the guidelines. Any modifications of the guidelines or criteria shall be reported to the 28 29 General Assembly by the Administrative Office of the Courts before they become 30 effective by delivering copies to the President Pro Tempore of the Senate and the Speaker of the House of Representatives. The guidelines, when adopted or modified, 31 32 shall be provided to the Department of Health and Human Services and the 33 Administrative Office of the Courts, which shall disseminate them to the public through 34 local IV-D offices, clerks of court, and the media.

Until July 1, 1990, the advisory guidelines adopted by the Conference of Chief District Judges pursuant to this subsection as formerly written shall operate as presumptive guidelines and the factors adopted by the Conference of Chief District Judges pursuant to this subsection as formerly written shall constitute criteria for varying from the amount of support determined by the guidelines.

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

child shall be ordered to be paid to the State Child Support Collection and Disbursement
 Unit for the benefit of the child.

3 (d1) For child support orders initially entered on or after January 1, 1994, the 4 immediate income withholding provisions of G.S. 110-136.5(c1) shall apply.

5 Payment for the support of a minor child shall be paid by lump sum payment, 6 periodic payments, or by transfer of title or possession of personal property of any interest therein, or a security interest in or possession of real property, as the court may 7 8 order. The court may order the transfer of title to real property solely owned by the 9 obligor in payment of arrearages of child support so long as the net value of the interest 10 in the property being transferred does not exceed the amount of the arrearage being satisfied. In every case in which payment for the support of a minor child is ordered and 11 12 alimony or postseparation support is also ordered, the order shall separately state and 13 identify each allowance.

14 (e1) In IV-D cases, the order for child support shall provide that the clerk shall 15 transfer the case to another jurisdiction in this State if the IV-D agency requests the 16 transfer on the basis that the obligor, the custodian of the child, and the child do not 17 reside in the jurisdiction in which the order was issued. The IV-D agency shall provide 18 notice of the transfer to the obligor by delivery of written notice in accordance with the 19 notice requirements of Chapter 1A-1, Rule 5(b) of the Rules of Civil Procedure. The 20 clerk shall transfer the case to the jurisdiction requested by the IV-D agency, which 21 shall be a jurisdiction in which the obligor, the custodian of the child, or the child resides. Nothing in this subsection shall be construed to prevent a party from contesting 22 23 the transfer.

(f) Remedies for enforcement of support of minor children shall be available asherein provided.

- (1) The court may require the person ordered to make payments for the
  support of a minor child to secure the same by means of a bond,
  mortgage or deed of trust, or any other means ordinarily used to secure
  an obligation to pay money or transfer property, or by requiring the
  execution of an assignment of wages, salary or other income due or to
  become due.
  - (2) If the court requires the transfer of real or personal property or an interest therein as provided in subsection (e) as a part of an order for payment of support for a minor child, or for the securing thereof, the court may also enter an order which shall transfer title as provided in G.S. 1A-1, Rule 70 and G.S. 1-228.
    - (3) The remedy of arrest and bail, as provided in Article 34 of Chapter 1 of the General Statutes, shall be available in actions for child-support payments as in other cases.
- 40(4)The remedies of attachment and garnishment, as provided in Article 3541of Chapter 1 of the General Statutes, shall be available in an action for42child-support payments as in other cases, and for such purposes the43child or person bringing an action for child support shall be deemed a44creditor of the defendant. Additionally, in accordance with the

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1			provisions of G.S. 110-136, a continuing wage garnishment
2			proceeding for wages due or to become due may be instituted by
3			motion in the original child support proceeding or by independent
4			action through the filing of a petition.
5		(5)	The remedy of injunction, as provided in Article 37 of Chapter 1 of the
6		~ /	General Statutes and G.S. 1A-1, Rule 65, shall be available in actions
7			for child support as in other cases.
8		(6)	Receivers, as provided in Article 38 of Chapter 1 of the General
9		~ /	Statutes, may be appointed in action for child support as in other cases.
10		(7)	A minor child or other person for whose benefit an order for the
11			payment of child support has been entered shall be a creditor within
12			the meaning of Article 3A of Chapter 39 of the General Statutes
13			pertaining to fraudulent conveyances.
14		(8)	Except as provided in Article 15 of Chapter 44 of the General Statutes,
15			a judgment for child support shall not be a lien against real property
16			unless the judgment expressly so provides, sets out the amount of the
17			lien in a sum certain, and adequately describes the real property
18			affected; but past due periodic payments may by motion in the cause
19			or by a separate action be reduced to judgment which shall be a lien as
20			other judgments. Additionally, the trial court may order periodic
21			payments on child support judgments as an available enforcement
22			remedy.
23		(9)	An order for the periodic payments of child support is enforceable by
24		~ /	proceedings for civil contempt, and its disobedience may be punished
25			by proceedings for criminal contempt, as provided in Chapter 5A of
26			the General Statutes.
27			Notwithstanding the provisions of G.S. 1-294, an order for the
28			payment of child support which has been appealed to the appellate
29			division is enforceable in the trial court by proceedings for civil
30			contempt during the pendency of the appeal. Upon motion of an
31			aggrieved party, the court of the appellate division in which the appeal
32			is pending may stay any order for civil contempt entered for child
33			support until the appeal is decided, if justice requires.
34		(10)	The remedies provided by Chapter 1 of the General Statutes, Article
35		~ /	28, Execution; Article 29B, Execution Sales; and Article 31,
36			Supplemental Proceedings, shall be available for the enforcement of
37			judgments for child support as in other cases, but amounts so payable
38			shall not constitute a debt as to which property is exempt from
39			execution as provided in Article 16 of Chapter 1C of the General
40			Statutes.
41		(11)	The specific enumeration of remedies in this section shall not
42			constitute a bar to remedies otherwise available.
43	(g)	An in	dividual who brings an action or motion in the cause for the support of a

44 minor child, and the individual who defends the action, shall provide to the clerk of the

court in which the action is brought or the order is issued, the individual's social security 1 2 number. The child support order shall contain the social security number of the parties 3 as evidenced in the support proceeding. Child support orders initially entered or modified on and after October 1, 4 (h) 5 1998, shall contain the name of each of the parties, the date of birth of each party, the 6 social security number of each party, and the court docket number. The Administrative 7 Office of the Courts shall transmit to the Department of Health and Human Services, 8 Child Support Enforcement Program, on a timely basis, the information required to be 9 included on orders under this subsection." 10 SECTION 2. G.S. 110-132 reads as rewritten: "§ 110-132. Acknowledgment of paternity Affidavit of parentage and agreement to 11 12 support. 13 (a) In lieu of or in conclusion of any legal proceeding instituted to establish 14 paternity, the written acknowledgment of paternity affidavits of parentage executed by 15 the putative father of the dependent child when accompanied by a written affirmation of paternity executed and sworn to by and the mother of the dependent child shall 16 17 constitute an admission of paternity and shall have the same legal effect as a judgment 18 of paternity for the purpose of establishing a child support obligation, subject to the

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- 60 days of the date the document is executed, or (1)
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The date of entry of an order establishing paternity or an order for the

right of either signatory to rescind within the earlier of:

(2)

payment of child support.

In order to rescind, a challenger must request the district court to order the 23 24 recision rescission and to include in the order specific findings of fact that the request for recisionrescission was filed with the clerk of court within 60 days of the signing of the 25 document. The court must also find that all parties, including the child support 26 27 enforcement agency, if appropriate, have been served in accordance with Rule 4 of the North Carolina Rules of Civil Procedure. In the event the court orders recision 28 29 and the putative father is thereafter found not to be the father of the child, then the clerk 30 of court shall send a copy of the order of recision rescission to the State Registrar of Vital Statistics. Upon receipt of an order of recision, rescission, the State Registrar shall 31 32 remove the putative father's name from the birth certificate. In the event that the 33 putative father defaults or fails to present or prosecute the issue of paternity, the trial court shall find the putative father to be the biological father as a matter of law. 34

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

A written agreement to support the child by periodic payments, which may include 40 provision for reimbursement for medical expenses incident to the pregnancy and the 41 42 birth of the child, accrued maintenance and reasonable expense of prosecution of the paternity action, when acknowledged as provided herein, filed with, and approved by a 43 judge of the district court at any time, shall have the same force and effect as an order of 44

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

20 At any time after the filing with the district court of an acknowledgment of (b) 21 paternity, affidavit of parentage, upon the application of any interested party, the court or any judge thereof shall cause a summons signed by him or by the clerk or assistant clerk 22 23 of superior court, to be issued, requiring the putative father to appear in court at a time 24 and place named therein, to show cause, if any he has, why the court should not enter an order for the support of the child by periodic payments, which order may include 25 provision for reimbursement for medical expenses incident to the pregnancy and the 26 27 birth of the child, accrued maintenance and reasonable expense of the action under this subsection on the acknowledgment of paternity affidavit of parentage previously filed 28 29 with said court. The court may order the responsible parents in a IV-D establishment case to perform a job search, if the responsible parent is not incapacitated. This includes 30 IV-D cases in which the responsible parent is a noncustodial mother or a noncustodial 31 32 father whose affidavit of parentage has been filed with the court or when paternity is not at issue for the child. The court may further order the responsible parent to participate in 33 the work activities, as defined in 42 U.S.C. § 607, as the court deems appropriate. The 34 35 amount of child support payments so ordered shall be determined as provided in G.S. 50-13.4(c). The prior judgment as to paternity shall be res judicata as to that issue and 36 37 shall not be reconsidered by the court."

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### **SECTION 3.** G.S. 110-134 reads as rewritten:

39 "§ 110-134. Filing of affirmations, acknowledgments, agreements and orders; fees. 40 All affirmations, acknowledgments, agreementsaffidavits, agreements, and resulting 41 orders entered into under the provisions of G.S. 110-132 and G.S. 110- 133 shall be 42 filed by the clerk of superior court in the county in which they are entered. The filing 43 fee for the institution of an action through the entry of an order under either of these 44 provisions shall be four dollars (\$4.00)."

1		<b>CTION 4.</b> G.S. 110-136.4 reads as rewritten:
2		Implementation of withholding in IV-D cases.
3		holding based on arrearages or obligor's request.
4	(1)	Advance notice of withholding. When an obligor in a IV-D case
5		becomes subject to income withholding, the obligee shall, after
6		verifying the obligor's current employer or other payor, wages or other
7		disposable income, and mailing address, serve the obligor with
8		advance notice of withholding in accordance with G.S. 1A-1, Rule 4,
9		Rules of Civil Procedure.
10	(2)	Contents of advance notice. The advance notice to the obligor shall
11		contain, at a minimum, the following information:
12		a. Whether the proposed withholding is based on the obligor's
13		failure to make legally obligated child support, alimony or
14		postseparation support payments on the obligor's request for
15		withholding, on the obligee's request for withholding, or on the
16		obligor's eligibility for withholding under G.S. 110-136.3(b)(3);
17		b. The amount of overdue child support, overdue alimony or
18		postseparation support payments, the total amount to be
19		withheld, and when the withholding will occur;
20		c. The name of each child or person for whose benefit the child
21		support, alimony or postseparation support payments are due
22		and information sufficient to identify the court order under
23		which the obligor has a duty to support the child, spouse, or
24		former spouse;
25		d. The amount and sources of disposable income;
26		e. That the withholding will apply to the obligor's wages or other
27		sources of disposable income from current payors and all
28		subsequent payors once the procedures under this section are
29		invoked;
30		f. An explanation of the obligor's rights and responsibilities
31		pursuant to this section;
32		g. That withholding will be continued until terminated pursuant to
33		G.S. 110-136.10.
34	(3)	Contested withholding. The obligor may contest the withholding only
35		on the basis of a mistake of fact, except that G.S. 110-129(10)(a) is not
36		applicable if withholding is based on the obligor's or obligee's request
37		for withholding. To contest the withholding, the obligor must, within
38		10 days of receipt of the advance notice of withholding, request a
39		hearing in the county where the support order was entered before the
40		district court and give notice to the obligee specifying the mistake of
41		fact upon which the hearing request is based. If the asserted mistake of
42		fact can be resolved by agreement between the obligee and the obligor,
43		no hearing shall occur. Otherwise, a hearing shall be held and a
44		determination made, within 30 days of the obligor's receipt of the

advance notice of withholding, as to whether the asserted mistake of 1 2 fact is valid. No withholding shall occur pending the hearing decision. 3 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 4 5 fact exists, no withholding shall occur. Otherwise, within 45 days of 6 the obligor's receipt of the advance notice of withholding, the obligee 7 shall serve the payor, pursuant to G.S. 1A-1, Rule 4, Rule 5, Rules of 8 Civil Procedure, with notice of his obligation to withhold, and shall 9 mail a copy of such notice to the obligor and file a copy with the clerk. 10 In the event of appeal, withholding shall not be stayed. If the appeal is concluded in favor of the obligor, the obligee shall promptly repay 11 12 sums wrongfully withheld and notify the payor to cease withholding. 13

- (4) Uncontested withholding. If the obligor does not contest the withholding within the 10-day response period, the obligee shall serve the payor, pursuant to G.S. 1A-1, <u>Rule 4, Rule 5</u>, Rules of Civil Procedure, with notice of his obligation to withhold, and shall mail a copy of such notice to the obligor and file a copy with the clerk.
  - (5) Payment not a defense to withholding. The payment of overdue support shall not be a basis for terminating or not implementing withholding.
- (6) Inability to implement withholding. When an obligor is subject to withholding, but withholding under this section cannot be implemented because the obligor's location is unknown, because the extent and source of his disposable income cannot be determined, or for any other reason, the obligee shall either request the clerk of superior court to initiate enforcement proceedings under G.S. 15A-1344.1(d) or G.S. 50-13.9(d) or take other appropriate available measures to enforce the support obligation.

29 Immediate income withholding. When a new or modified child support order (b) 30 is entered, the district court judge shall, after hearing evidence regarding the obligor's disposable income, place the obligor under an order for immediate income withholding. 31 32 The IV-D agency shall serve the payor pursuant to G.S. 1A-1, Rule 4, Rule 5, Rules of 33 Civil Procedure, with a notice of his obligation to withhold, and shall mail a copy of 34 such notice to the obligor and file a copy with the clerk. If information is unavailable 35 regarding an obligor's disposable income, or the obligor is unemployed, or an agreement is reached between both parties which provides for an alternative arrangement, 36 37 immediate income withholding shall not apply. The obligor, however, is subject to 38 income withholding pursuant to G.S. 110-136.4(a).

39 (c) Subsequent payors. If the obligor changes employment or source of 40 disposable income, notice to subsequent payors of their obligation to withhold shall be 41 served as required by G.S. 1A-1, Rule 4, Rule 5, Rules of Civil Procedure. Copies of 42 such notice shall be filed with the clerk of court and served upon the obligor by first 43 class mail.

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Multiple withholdings. The obligor must notify the obligee if the obligor is 1 (d)2 currently subject to another withholding for child support. In the case of two or more 3 withholdings against one obligor, the obligee or obligees shall attempt to resolve any 4 conflict between the orders in a manner that is fair and equitable to all parties and within 5 the limits specified by G.S. 110-136.6. If the conflict cannot be so resolved, an injured 6 party, upon request, shall be granted a hearing in accordance with the procedure 7 specified in G.S. 110-136.4(c). The conflict between the withholding orders shall be 8 resolved in accordance with G.S. 110-136.7.

9 (e) Modification of withholding. When an order for withholding has been entered 10 under this section, the obligee may modify the withholding based on changed 11 circumstances. The obligee shall proceed as is provided in this section.

12 (f) Applicability of section. The provisions of this section apply to IV-D cases 13 only."

14 **SECTION 5.** The introductory language of Section 16 of S.L. 1999-293 15 reads as rewritten:

"Section 16. G.S. 110-36.3G.S. 110-139 is amended by adding a new subsection to
 read:".

18 19 **SECTION 6.** G.S. 110-139(d1) is recodified as G.S. 110-139(c1).

**SECTION 7.** G.S. 110-139(c1) reads as rewritten:

"(c1) Employment verifications. - For the purpose of establishing establishing, 20 21 enforcing, or modifying a child support order, the amount of the obligor's gross income 22 may be established by a written statement signed by the obligor's employer or the 23 employer's designee or an Employee Verification form produced by the Automated 24 Collections and Tracking System that has been completed and signed by the obligor's 25 employer or the employer's designee. A written statement signed by the employer of the obligor or the employer's designee that sets forth an obligor's gross income, as well as 26 27 an Employee Verification form signed by the obligor's employer or the employer's 28 designee is admissible evidence in any action establishing establishing, enforcing, or 29 modifying a child support order."

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**SECTION 8.** This act is effective when it becomes law.