



One Hundred First Legislature - First Session - 2009
Introducer's Statement of Intent
LB 199

Chairperson: Brad Ashford
Committee: Judiciary
Date of Hearing: March 4, 2009

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 199 makes the following changes:

- Independent Contractor-New Hire enforcement allows for the reporting of independent contractors under the New Hire Act. This reporting method will help identify individuals who have taken new employment and have child support obligations. Once these individuals are identified, an income withholding notice can be generated to their employer and child support can be collected from each paycheck.
- Continuous Submittal of State Revenue information will change the method of reporting past due support amounts. This bill allows a continuous submittal process rather than a single yearly submittal.
- Interest on spousal support or medical support payments will accrue after a 30-day grace period rather than beginning the day after it is due. The 30-day grace period brings spousal and medical support interest accrual into conformity with how interest is accrued in child support cases.
- Assignment of child, spousal or medical support payments will provide that only the support which becomes due during the time period in which the individual receives public assistance is assignable to the State. Currently, an individual applying for and accepting public assistance assigns all court-ordered child, spousal, or other support arrears and any additional support that becomes due while receiving public assistance to the state. This change is needed to comply with a federal mandate.
- Medical Support in Title IV-D cases must address how parents will provide for children's health care needs through health insurance coverage and/or through cash medical support. Cash medical support is defined by Federal regulation as an amount ordered to be paid toward the cost of health insurance provided by a public entity or by another parent through employment or for other medical costs not covered by insurance. Cash medical support or the cost of private health insurance is considered reasonable in cost if the cost to the parent responsible for providing medical support does not exceed 5% of his or her

income. This change in defining medical support is needed to comply with a federal mandate.

Principal Introducer:

Senator Arnie E. Stuthman