LEGISLATURE OF NEBRASKA

ONE HUNDRED SIXTH LEGISLATURE

SECOND SESSION

LEGISLATIVE BILL 1094

Introduced by Murman, 38.

Read first time January 21, 2020

Committee: Judiciary

- 1 A BILL FOR AN ACT relating to child support; to amend section 42-371,
- 2 Reissue Revised Statutes of Nebraska; to change lien provisions on
- 3 support order judgments as prescribed; and to repeal the original
- 4 section.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 42-371, Reissue Revised Statutes of Nebraska, is

- 2 amended to read:
- 3 42-371 Under the Uniform Interstate Family Support Act and sections
- 4 42-347 to 42-381, 43-290, 43-512 to 43-512.10, and 43-1401 to 43-1418:
- 5 (1) All judgments and orders for payment of money shall be liens, as
- 6 in other actions, upon real property and any personal property registered
- 7 with any county office and may be enforced or collected by execution and
- 8 the means authorized for collection of money judgments;
- 9 (2) The judgment creditor may execute a partial or total release of
- 10 the judgment or a document subordinating the lien of the judgment to any
- 11 other lien, generally or on specific real or personal property.
- 12 Release of a judgment for child support or spousal support or
- 13 subordination of a lien of a judgment for child support or spousal
- 14 support may, if all such payments are current and not delinquent or in
- 15 arrears, be released or subordinated by a release or subordination
- 16 document executed by the judgment creditor, and such document shall be
- 17 sufficient to remove or subordinate the lien. A properly executed,
- 18 notarized release or subordination document explicitly reciting that all
- 19 child support payments or spousal support payments are current is prima
- 20 facie evidence that such payments are in fact current. For purposes of
- 21 this section, any delinquency or arrearage of support payments shall be
- 22 determined as provided in subsection (2) of section 42-358.02;
- 23 (3) If a judgment creditor refuses to execute a release of the
- 24 judgment or subordination of a lien as provided in subdivision (2) of
- 25 this section or the support payments are not current, the person desiring
- 26 such release or subordination may file an application for the relief
- 27 desired in the court which rendered the original judgment. A copy of the
- 28 application and a notice of hearing shall be served on the judgment
- 29 creditor either personally or by registered or certified mail no later
- 30 than ten days before the date of hearing. If the court finds that the
- 31 release or subordination is not requested for the purpose of avoiding

1 payment and that the release or subordination will not unduly reduce the 2 security, the court may issue an order releasing real or personal property from the judgment lien or issue an order subordinating the 3 4 judgment lien. As a condition for such release or subordination, the court may require the posting of a bond with the clerk in an amount fixed 5 by the court, guaranteeing payment of the judgment. If the court orders a 6 release or subordination, the court may order a judgment creditor who, 7 good faith reason, refused to execute a release or 8 without a 9 subordination to pay the judgment debtor's court costs and attorney's 10 fees involved with the application brought under this subdivision. A showing that all support payments are current shall be evidence that the 11 judgment creditor did not have a good faith reason to refuse to execute 12 such release or subordination. For purposes of this section, a current 13 certified copy of support order payment history from the Title IV-D 14 Division of the Department of Health and Human Services setting forth 15 16 evidence that all support payments are current is prima facie evidence that such payments are in fact current and is valid for thirty days after 17 the date of certification; 18

(4) Full faith and credit shall be accorded to a lien arising by 19 operation of law against real and personal property for amounts overdue 20 relating to a support order owed by a judgment debtor or obligor who 21 22 resides or owns property in this state when another state agency, party, or other entity seeking to enforce such lien complies with the procedural 23 24 rules relating to the filing of the lien in this state. The state agency, 25 party, or other entity seeking to enforce such lien shall send a certified copy of the support order with all modifications, the notice of 26 lien prescribed by 42 U.S.C. 652(a)(11) and 42 U.S.C. 654(9)(E), and the 27 appropriate fee to the clerk of the district court in the jurisdiction 28 within this state in which the lien is sought. Upon receiving the 29 appropriate documents and fee, the clerk of the district court shall 30 accept the documents filed and such acceptance shall constitute entry of 31

- 1 the foreign support order for purposes of this section only. Entry of a
- 2 lien arising in another state pursuant to this section shall result in
- 3 such lien being afforded the same treatment as liens arising in this
- 4 state. The filing process required by this section shall not be construed
- 5 as requiring an application, complaint, answer, and hearing as might be
- 6 required for the filing or registration of foreign judgments under the
- 7 Nebraska Uniform Enforcement of Foreign Judgments Act or the Uniform
- 8 Interstate Family Support Act;
- 9 (5) Support order judgments shall cease to be liens on real or
- 10 registered personal property (a) ten years from the date (i) (a) the
- 11 youngest child <u>reaches the age of majority</u> becomes of age or dies or (ii)
- 12 (b) the most recent execution was issued to collect the judgment,
- 13 whichever is later, or (b) when the youngest child reaches the age of
- 14 majority or dies, and the child support obligation is current as of the
- 15 date of the child becoming the age of majority or the child's death τ
- 16 whichever is later, and such lien shall not be reinstated;
- 17 (6) Alimony and property settlement award judgments, if not covered
- 18 by subdivision (5) of this section, shall cease to be a lien on real or
- 19 registered personal property ten years from the date (a) the judgment was
- 20 entered, (b) the most recent payment was made, or (c) the most recent
- 21 execution was issued to collect the judgment, whichever is latest, and
- 22 such lien shall not be reinstated;
- 23 (7) The court may in any case, upon application or its own motion,
- 24 after notice and hearing, order a person required to make payments to
- 25 post sufficient security, bond, or other guarantee with the clerk to
- 26 insure payment of both current and any delinquent amounts. Upon failure
- 27 to comply with the order, the court may also appoint a receiver to take
- 28 charge of the debtor's property to insure payment. Any bond, security, or
- 29 other guarantee paid in cash may, when the court deems it appropriate, be
- 30 applied either to current payments or to reduce any accumulated
- 31 arrearage;

- 1 (8)(a) The lien of a mortgage or deed of trust which secures a loan, the proceeds of which are used to purchase real property, and (b) any 2 3 lien given priority pursuant to a subordination document under this section shall attach prior to any lien authorized by this section. Any 4 mortgage or deed of trust which secures the refinancing, renewal, or 5 extension of a real property purchase money mortgage or deed of trust 6 shall have the same lien priority with respect to any lien authorized by 7 this section as the original real property purchase money mortgage or 8 9 deed of trust to the extent that the amount of the loan refinanced, renewed, or extended does not exceed the amount used to pay the principal 10 and interest on the existing real property purchase money mortgage or 11 deed of trust, plus the costs of the refinancing, renewal, or extension; 12 and 13
- (9) Any lien authorized by this section against personal property registered with any county consisting of a motor vehicle or mobile home shall attach upon notation of the lien against the motor vehicle or mobile home certificate of title and shall have its priority established pursuant to the terms of section 60-164 or a subordination document executed under this section.
- 20 Sec. 2. Original section 42-371, Reissue Revised Statutes of 21 Nebraska, is repealed.