

2A:17-56.11

LEGISLATIVE HISTORY CHECKLIST

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LAWS OF: 2001 **CHAPTER:** 188

NJSA: 2A:17-56.11 (Child support orders—enforcement)

BILL NO: S232 (Substituted for A2072)

SPONSOR(S): Bryant

DATE INTRODUCED: January 11, 2001

COMMITTEE: **ASSEMBLY:** Senior Issues

SENATE: Womans Issues

AMENDED DURING PASSAGE: Yes

DATE OF PASSAGE: **ASSEMBLY:** June 14, 2001

SENATE: June 28, 2001

DATE OF APPROVAL: July 31, 2001

FOLLOWING ARE ATTACHED IF AVAILABLE:

FINAL TEXT OF BILL (1st reprint enacted)

(Amendments during passage denoted by superscript numbers)

S232

SPONSORS STATEMENT: (Begins on page 4 of original bill) Yes

COMMITTEE STATEMENT: **ASSEMBLY:** Yes

SENATE: Yes

FLOOR AMENDMENT STATEMENTS: No

LEGISLATIVE FISCAL ESTIMATE: No

A2072

SPONSORS STATEMENT: (Begins on page 4 of original bill) Yes

Bill and sponsors statement identical to S232

COMMITTEE STATEMENT:

ASSEMBLY: Yes

Identical to Assembly statement to S232

SENATE: No

FLOOR AMENDMENT STATEMENTS:

No

LEGISLATIVE FISCAL ESTIMATE:

No

VETO MESSAGE:

No

GOVERNOR'S PRESS RELEASE ON SIGNING:

Yes

FOLLOWING WERE PRINTED:

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No

SENATE, No. 232

STATE OF NEW JERSEY
209th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2000 SESSION

Sponsored by:

Senator WAYNE R. BRYANT

District 5 (Camden and Gloucester)

Co-Sponsored by:

Senator Allen

SYNOPSIS

Requires child support order relating to health care coverage be enforced through National Medical Support Notice and indicate the party responsible for maintaining the coverage.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



S232 BRYANT

2

1 AN ACT concerning health care coverage pursuant to a child support
2 order and amending P.L.1981, c.417 and P.L.1995, c.58.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. Section 5 of P.L.1981, c.417 (C.2A:17-56.11) is amended to
8 read as follows:

9 5. a. An income withholding made under P.L.1981, c.417
10 (C.2A:17-56.8 et seq.) and provisions for health care coverage shall
11 be binding upon the payor and successor payors immediately after
12 service upon the payor by the Probation Division of a copy of the
13 income withholding and an order for the provision of health care
14 coverage, by regular mail. The payor is to pay the withheld amount to
15 the Probation Division at the same time the obligor is paid. The payor
16 shall implement withholding and the provisions for health care
17 coverage no later than the first pay period that ends immediately after
18 the date the notice was postmarked, except that the payor is not
19 required to alter regular pay cycles to comply with the withholding.
20 For each payment, other than payment received from the
21 unemployment compensation fund, the payor may receive \$1.00, which
22 shall be deducted from the obligor's income in addition to the amount
23 of the support order to compensate the payor for the administrative
24 expense of processing the withholding.

25 Notice to the payor shall include, but not be limited to, instructions
26 for the provisions for health care coverage, the amount to be withheld
27 from the obligor's income and a statement that the total amount
28 withheld for support and other purposes may not be in excess of the
29 maximum amount permitted under section 303 (b) of the federal
30 Consumer Credit Protection Act (15 U.S.C.s.1673 (b)); that the payor
31 shall send the amount to the Probation Division at the same time the
32 obligor is paid, unless the Probation Division directs that payment be
33 made to another individual or entity; that the payor may deduct and
34 retain a fee of \$1.00 in addition to the amount of the support order
35 except when the payment is received from the unemployment
36 compensation fund; that withholding is binding on the payor until
37 further notice by the Probation Division; that, in accordance with
38 section 6 of P.L.1981, c.417 (C.2A:17-56.12), the payor is subject to
39 a fine and civil damages as determined by the court for discharging an
40 obligor from employment, refusing to employ, or taking disciplinary
41 action against an obligor subject to an income withholding because of
42 the withholding or any obligation which it imposes upon the payor;
43 that the payor is subject to a fine as determined by the court for failure

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

1 to withhold support from the obligor's income or pay the withheld
2 amount to the Probation Division; that if the payor fails to take
3 appropriate action with regard to the provisions for health care
4 coverage or withhold wages in accordance with the provisions of the
5 notice, the payor is liable for any medical expenses incurred by the
6 children subject to the provisions for health care coverage and any
7 amount up to the accumulated amount the payor should have withheld
8 from the obligor's income; that the withholding shall have priority over
9 any other legal process under State law against the same income; that
10 the payor may combine withheld amounts from the obligor's income in
11 a single payment to the Probation Division and separately identify the
12 portion of the single payment which is attributable to each obligor
13 unless submitted pursuant to section 7 of P.L.1981, c.417
14 (C.2A:17-56.13) or through electronic funds transfer; that if there is
15 more than one support order for withholding against a single obligor,
16 the payor shall withhold the payments on a pro rata basis to fully
17 comply with the support orders, to the extent that the total amount
18 withheld does not exceed the limits imposed under section 303 (b) of
19 the federal Consumer Credit Protection Act (15 U.S.C. s.1673 (b));
20 that the payor shall implement withholding no later than the first pay
21 period that ends immediately after the date the notice was postmarked,
22 except that the payor is not required to alter regular pay cycles to
23 comply with the withholding; and that the payor shall notify the
24 Probation Division promptly upon the termination of the obligor's
25 employment benefits and provide the obligor's last known address and
26 the name and address of the obligor's new payor, if known.

27 A payor served with an income withholding notice shall be liable to
28 the obligee for failure to deduct the amounts specified. The obligee or
29 the Probation Division may commence a proceeding against the payor
30 for accrued deductions, together with interest and reasonable
31 attorney's fees.

32 In accordance with section 314 of Pub.L.104-193, a payor who
33 complies with an income withholding notice that is regular on its face
34 shall be immune from civil liability for conduct in compliance with the
35 notice.

36 b. When a payor receives an income withholding notice issued by
37 another state, the payor shall apply the income withholding law of the
38 state in which the obligor's principal place of employment is located in
39 determining:

- 40 (1) the payor's fee for processing the income withholding;
- 41 (2) the maximum amount permitted to be withheld from the
42 obligor's income;
- 43 (3) the time periods within which the payor must implement the
44 income withholding order and forward the child support payment;
- 45 (4) the priorities for withholding and allocating income withheld
46 for multiple obligees; and

1 (5) any withholding terms or conditions not specified in the
2 support order or notice.

3 c. The Probation Division shall use the National Medical Support
4 Notice for medical support orders upon its adoption by federal
5 regulation pursuant to the "Child Support Performance and Incentive
6 Act of 1998," Pub.L.105-200.

7 (cf: P.L.1998, c.1, s.22.)

8

9 2. Section 1 of P.L.1995, c.58 (C.2A:34-23c) is amended to read
10 as follows:

11 1. Any order [for] or judgment that includes child support [issued
12 pursuant to the provisions of N.J.S.2A:34-23] shall include provisions
13 indicating the party responsible for maintaining [medical support]
14 health care coverage for the child and the terms and conditions by
15 which that coverage is to be maintained.

16 The provisions of the order or judgment relating to health care
17 coverage shall be enforced through the National Medical Support
18 Notice, upon its adoption by federal regulation pursuant to the "Child
19 Support Performance and Incentive Act of 1998," Pub.L. 105-200.

20 (cf: P.L.1995, c.58, s.1)

21

22 3. This act shall take effect immediately.

23

24

25

STATEMENT

26

27 This bill amends N.J.S.A.2A:17-56.11 to require that, upon
28 adoption of a National Medical Support Notice by the federal
29 government pursuant to the "Child Support Performance and Incentive
30 Act of 1998," an order for the provision of health care coverage shall
31 be served upon an obligor's payor (employer) through that notice.
32 Under federal law, this uniform notice will serve as a qualified medical
33 support order for all employees, including those covered under ERISA
34 plans, church plans and governmental plans.

35 The bill also amends N.J.S.A.2A:34-23c to require that any order
36 or judgment that includes child support shall include a provision
37 indicating the party responsible for maintaining health care coverage
38 for a child. Currently, only an order for child support issued pursuant
39 to N.J.S.A.2A:34-23 is required to include a provision indicating
40 which party is responsible for maintaining health care coverage.

SENATE, No. 232

STATE OF NEW JERSEY 209th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2000 SESSION

Sponsored by:

Senator WAYNE R. BRYANT

District 5 (Camden and Gloucester)

Co-Sponsored by:

Senator Allen

SYNOPSIS

Requires child support order relating to health care coverage be enforced through National Medical Support Notice and indicate the party responsible for maintaining the coverage.

CURRENT VERSION OF TEXT

As reported by the Senate Women's Issues, Children and Family Services Committee with technical review.



S232 BRYANT

2

1 AN ACT concerning health care coverage pursuant to a child support
2 order and amending P.L.1981, c.417 and P.L.1995, c.58.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. Section 5 of P.L.1981, c.417 (C.2A:17-56.11) is amended to
8 read as follows:

9 5. a. An income withholding made under P.L.1981, c.417
10 (C.2A:17-56.8 et seq.) and provisions for health care coverage shall
11 be binding upon the payor and successor payors immediately after
12 service upon the payor by the Probation Division of a copy of the
13 income withholding and an order for the provision of health care
14 coverage, by regular mail. The payor is to pay the withheld amount to
15 the Probation Division at the same time the obligor is paid. The payor
16 shall implement withholding and the provisions for health care
17 coverage no later than the first pay period that ends immediately after
18 the date the notice was postmarked, except that the payor is not
19 required to alter regular pay cycles to comply with the withholding.
20 For each payment, other than payment received from the
21 unemployment compensation fund, the payor may receive \$1.00, which
22 shall be deducted from the obligor's income in addition to the amount
23 of the support order to compensate the payor for the administrative
24 expense of processing the withholding.

25 Notice to the payor shall include, but not be limited to, instructions
26 for the provisions for health care coverage, the amount to be withheld
27 from the obligor's income and a statement that the total amount
28 withheld for support and other purposes may not be in excess of the
29 maximum amount permitted under section 303 (b) of the federal
30 Consumer Credit Protection Act (15 U.S.C.s.1673 (b)); that the payor
31 shall send the amount to the Probation Division at the same time the
32 obligor is paid, unless the Probation Division directs that payment be
33 made to another individual or entity; that the payor may deduct and
34 retain a fee of \$1.00 in addition to the amount of the support order
35 except when the payment is received from the unemployment
36 compensation fund; that withholding is binding on the payor until
37 further notice by the Probation Division; that, in accordance with
38 section 6 of P.L.1981, c.417 (C.2A:17-56.12), the payor is subject to
39 a fine and civil damages as determined by the court for discharging an
40 obligor from employment, refusing to employ, or taking disciplinary
41 action against an obligor subject to an income withholding because of
42 the withholding or any obligation which it imposes upon the payor;
43 that the payor is subject to a fine as determined by the court for failure

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

1 to withhold support from the obligor's income or pay the withheld
2 amount to the Probation Division; that if the payor fails to take
3 appropriate action with regard to the provisions for health care
4 coverage or withhold wages in accordance with the provisions of the
5 notice, the payor is liable for any medical expenses incurred by the
6 children subject to the provisions for health care coverage and any
7 amount up to the accumulated amount the payor should have withheld
8 from the obligor's income; that the withholding shall have priority over
9 any other legal process under State law against the same income; that
10 the payor may combine withheld amounts from the obligor's income in
11 a single payment to the Probation Division and separately identify the
12 portion of the single payment which is attributable to each obligor
13 unless submitted pursuant to section 7 of P.L.1981, c.417
14 (C.2A:17-56.13) or through electronic funds transfer; that if there is
15 more than one support order for withholding against a single obligor,
16 the payor shall withhold the payments on a pro rata basis to fully
17 comply with the support orders, to the extent that the total amount
18 withheld does not exceed the limits imposed under section 303 (b) of
19 the federal Consumer Credit Protection Act (15 U.S.C. s.1673 (b));
20 that the payor shall implement withholding no later than the first pay
21 period that ends immediately after the date the notice was postmarked,
22 except that the payor is not required to alter regular pay cycles to
23 comply with the withholding; and that the payor shall notify the
24 Probation Division promptly upon the termination of the obligor's
25 employment benefits and provide the obligor's last known address and
26 the name and address of the obligor's new payor, if known.

27 A payor served with an income withholding notice shall be liable to
28 the obligee for failure to deduct the amounts specified. The obligee or
29 the Probation Division may commence a proceeding against the payor
30 for accrued deductions, together with interest and reasonable
31 attorney's fees.

32 In accordance with section 314 of Pub.L.104-193, a payor who
33 complies with an income withholding notice that is regular on its face
34 shall be immune from civil liability for conduct in compliance with the
35 notice.

36 b. When a payor receives an income withholding notice issued by
37 another state, the payor shall apply the income withholding law of the
38 state in which the obligor's principal place of employment is located in
39 determining:

- 40 (1) the payor's fee for processing the income withholding;
- 41 (2) the maximum amount permitted to be withheld from the
42 obligor's income;
- 43 (3) the time periods within which the payor must implement the
44 income withholding order and forward the child support payment;
- 45 (4) the priorities for withholding and allocating income withheld
46 for multiple obligees; and

1 (5) any withholding terms or conditions not specified in the
2 support order or notice.

3 c. The Probation Division shall use the National Medical Support
4 Notice for medical support orders upon its adoption by federal
5 regulation pursuant to the "Child Support Performance and Incentive
6 Act of 1998," Pub.L.105-200.

7 (cf: P.L.1998, c.1, s.22.)

8

9 2. Section 1 of P.L.1995, c.58 (C.2A:34-23c) is amended to read
10 as follows:

11 1. Any order [for] or judgment that includes child support [issued
12 pursuant to the provisions of N.J.S.2A:34-23] shall include provisions
13 indicating the party responsible for maintaining [medical support]
14 health care coverage for the child and the terms and conditions by
15 which that coverage is to be maintained.

16 The provisions of the order or judgment relating to health care
17 coverage shall be enforced through the National Medical Support
18 Notice, upon its adoption by federal regulation pursuant to the "Child
19 Support Performance and Incentive Act of 1998," Pub.L. 105-200.

20 (cf: P.L.1995, c.58, s.1)

21

22 3. This act shall take effect immediately.

SENATE WOMAN'S ISSUES, CHILDREN AND FAMILY
SERVICES COMMITTEE

STATEMENT TO

SENATE, No. 232

STATE OF NEW JERSEY

DATED: FEBRUARY 10, 2000

The Senate Woman's Issues, Children & Family Services Committee reports favorably Senate Bill No. 232.

This bill amends N.J.S.A.2A:17-56.11 to require that, upon adoption of a National Medical Support Notice by the federal government pursuant to the "Child Support Performance and Incentive Act of 1998," an order for the provision of health care coverage shall be served upon an obligor's payor (employer) through that notice. Under federal law, this uniform notice will serve as a qualified medical support order for all employees, including those covered under ERISA plans, church plans and governmental plans.

The bill also amends N.J.S.A.2A:34-23c to require that any order or judgment that includes child support shall include a provision indicating the party responsible for maintaining health care coverage for a child. Currently, only an order for child support issued pursuant to N.J.S.A.2A:34-23 is required to include a provision indicating which party is responsible for maintaining health care coverage.

This bill is identical to Senate Bill No. 1572 of 1998, which this committee reported favorably during the prior session.

This bill was prefiled for introduction in the 2000-2001 session pending technical review. As reported, the bill includes the changes required by technical review which has been performed.

ASSEMBLY SENIOR ISSUES AND COMMUNITY SERVICES
COMMITTEE

STATEMENT TO

SENATE, No. 232

with committee amendments

STATE OF NEW JERSEY

DATED: MARCH 22, 2001

The Assembly Senior Issues and Community Services Committee reports favorably and with committee amendments Senate Bill No. 232.

This bill amends N.J.S.A.2A:17-56.11 to require the Probation Division to use the National Medical Support Notice for medical support orders upon its adoption by federal regulation pursuant to the "Child Support Performance and Incentive Act of 1998." Under federal law, this uniform notice would serve as a qualified medical support order for all employees, including those covered under ERISA plans, church plans and governmental plans.

The bill also amends N.J.S.A.2A:34-23c to require that any order or judgment that includes child support shall include a provision indicating the party responsible for maintaining health care coverage for a child. Currently, only an order for child support issued pursuant to N.J.S.A.2A:34-23 is required to include a provision indicating which party is responsible for maintaining health care coverage.

The committee amended the bill to reflect recently enacted legislation, P.L. 2000, c. 81, which provides for the establishment of liens on net proceeds of settlements, judgments, inheritance or awards to pay for child support judgments.

These amendments make this bill identical to Assembly Bill No. 2072 (1R).

[First Reprint]

SENATE, No. 232

STATE OF NEW JERSEY
209th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2000 SESSION

Sponsored by:

Senator WAYNE R. BRYANT

District 5 (Camden and Gloucester)

Co-Sponsored by:

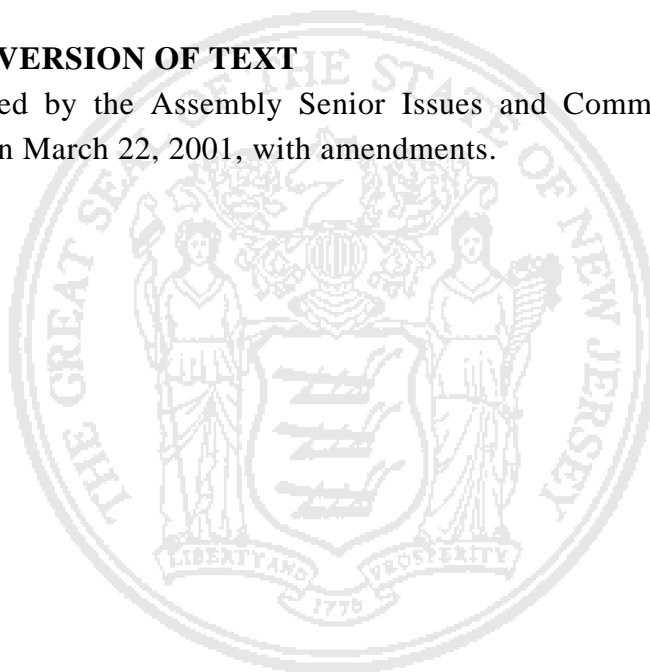
Senator Allen, Assemblyman Cohen and Assemblywoman Weinberg

SYNOPSIS

Requires child support order relating to health care coverage be enforced through National Medical Support Notice and indicate the party responsible for maintaining the coverage.

CURRENT VERSION OF TEXT

As reported by the Assembly Senior Issues and Community Services Committee on March 22, 2001, with amendments.



(Sponsorship Updated As Of: 6/15/2001)

1 AN ACT concerning health care coverage pursuant to a child support
2 order and amending P.L.1981, c.417 and P.L.1995, c.58.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. Section 5 of P.L.1981, c.417 (C.2A:17-56.11) is amended to
8 read as follows:

9 5. a. An income withholding made under P.L.1981, c.417
10 (C.2A:17-56.8 et seq.) and provisions for health care coverage shall
11 be binding upon the payor and successor payors immediately after
12 service upon the payor by the Probation Division of a copy of the
13 income withholding and an order for the provision of health care
14 coverage, by regular mail. The payor is to pay the withheld amount to
15 the Probation Division at the same time the obligor is paid. The payor
16 shall implement withholding and the provisions for health care
17 coverage no later than the first pay period that ends immediately after
18 the date the notice was postmarked, except that the payor is not
19 required to alter regular pay cycles to comply with the withholding.
20 For each payment, other than payment received from the
21 unemployment compensation fund, the payor may receive \$1.00, which
22 shall be deducted from the obligor's income in addition to the amount
23 of the support order to compensate the payor for the administrative
24 expense of processing the withholding.

25 Notice to the payor shall include, but not be limited to, instructions
26 for the provisions for health care coverage, the amount to be withheld
27 from the obligor's income and a statement that the total amount
28 withheld for support and other purposes may not be in excess of the
29 maximum amount permitted under section 303 (b) of the federal
30 Consumer Credit Protection Act (15 U.S.C.s.1673 (b)); that the payor
31 shall send the amount to the Probation Division at the same time the
32 obligor is paid, unless the Probation Division directs that payment be
33 made to another individual or entity; that the payor may deduct and
34 retain a fee of \$1.00 in addition to the amount of the support order
35 except when the payment is received from the unemployment
36 compensation fund; that withholding is binding on the payor until
37 further notice by the Probation Division; that, in accordance with
38 section 6 of P.L.1981, c.417 (C.2A:17-56.12), the payor is subject to
39 a fine and civil damages as determined by the court for discharging an
40 obligor from employment, refusing to employ, or taking disciplinary
41 action against an obligor subject to an income withholding because of
42 the withholding or any obligation which it imposes upon the payor;

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly ASC committee amendments adopted March 22, 2001.

1 that the payor is subject to a fine as determined by the court for failure
2 to withhold support from the obligor's income or pay the withheld
3 amount to the Probation Division; that if the payor fails to take
4 appropriate action with regard to the provisions for health care
5 coverage or withhold wages in accordance with the provisions of the
6 notice, the payor is liable for any medical expenses incurred by the
7 children subject to the provisions for health care coverage and any
8 amount up to the accumulated amount the payor should have withheld
9 from the obligor's income; that the withholding shall have priority over
10 any other legal process under State law against the same income; that
11 the payor may combine withheld amounts from the obligor's income in
12 a single payment to the Probation Division and separately identify the
13 portion of the single payment which is attributable to each obligor
14 unless submitted pursuant to section 7 of P.L.1981, c.417
15 (C.2A:17-56.13) or through electronic funds transfer; that if there is
16 more than one support order for withholding against a single obligor,
17 the payor shall withhold the payments on a pro rata basis to fully
18 comply with the support orders, to the extent that the total amount
19 withheld does not exceed the limits imposed under section 303 (b) of
20 the federal Consumer Credit Protection Act (15 U.S.C. s.1673 (b));
21 that the payor shall implement withholding no later than the first pay
22 period that ends immediately after the date the notice was postmarked,
23 except that the payor is not required to alter regular pay cycles to
24 comply with the withholding; and that the payor shall notify the
25 Probation Division promptly upon the termination of the obligor's
26 employment benefits and provide the obligor's last known address and
27 the name and address of the obligor's new payor, if known.

28 A payor served with an income withholding notice shall be liable to
29 the obligee for failure to deduct the amounts specified. The obligee or
30 the Probation Division may commence a proceeding against the payor
31 for accrued deductions, together with interest and reasonable
32 attorney's fees.

33 In accordance with section 314 of Pub.L.104-193, a payor who
34 complies with an income withholding notice that is regular on its face
35 shall be immune from civil liability for conduct in compliance with the
36 notice.

37 b. When a payor receives an income withholding notice issued by
38 another state, the payor shall apply the income withholding law of the
39 state in which the obligor's principal place of employment is located in
40 determining:

- 41 (1) the payor's fee for processing the income withholding;
- 42 (2) the maximum amount permitted to be withheld from the
43 obligor's income;
- 44 (3) the time periods within which the payor must implement the
45 income withholding order and forward the child support payment;
- 46 (4) the priorities for withholding and allocating income withheld

1 for multiple obligees; and

2 (5) any withholding terms or conditions not specified in the
3 support order or notice.

4 c. ¹If an obligor is injured and eligible for workers' compensation
5 under chapter 15 of Title 34 of the Revised Statutes or other disability
6 benefits, the payor shall forward a copy of the income withholding to
7 the insurance carrier at the same time an obligor's claim for workers'
8 compensation is submitted to the Division of Workers' Compensation
9 in the Department of Labor. The income withholding shall be binding
10 upon the insurance carrier and the insurance carrier shall implement
11 the income withholding pursuant to the provisions of this section.

12 d.¹ The Probation Division shall use the National Medical Support
13 Notice for medical support orders upon its adoption by federal
14 regulation pursuant to the "Child Support Performance and Incentive
15 Act of 1998," Pub.L.105-200.

16 (cf: P.L.2000, c.81, s.2.)

17

18 2. Section 1 of P.L.1995, c.58 (C.2A:34-23c) is amended to read
19 as follows:

20 1. Any order **[for]** or judgment that includes child support **[issued**
21 **pursuant to the provisions of N.J.S.2A:34-23]** shall include provisions
22 indicating the party responsible for maintaining **[medical support]**
23 health care coverage for the child and the terms and conditions by
24 which that coverage is to be maintained.

25 The provisions of the order or judgment relating to health care
26 coverage shall be enforced through the National Medical Support
27 Notice, upon its adoption by federal regulation pursuant to the "Child
28 Support Performance and Incentive Act of 1998," Pub.L. 105-200.

29 (cf: P.L.1995, c.58, s.1)

30

31 3. This act shall take effect immediately.

ASSEMBLY, No. 2072

STATE OF NEW JERSEY
209th LEGISLATURE

INTRODUCED FEBRUARY 24, 2000

Sponsored by:

Assemblyman NEIL M. COHEN

District 20 (Union)

SYNOPSIS

Requires child support order relating to health care coverage be enforced through National Medical Support Notice and indicate the party responsible for maintaining the coverage.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning health care coverage pursuant to a child support
2 order and amending P.L.1981, c.417 and P.L.1995, c.58.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

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7 1. Section 5 of P.L.1981, c.417 (C.2A:17-56.11) is amended to
8 read as follows:

9 5. a. An income withholding made under P.L.1981, c.417
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11 be binding upon the payor and successor payors immediately after
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15 the Probation Division at the same time the obligor is paid. The payor
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19 required to alter regular pay cycles to comply with the withholding.
20 For each payment, other than payment received from the
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23 of the support order to compensate the payor for the administrative
24 expense of processing the withholding.

25 Notice to the payor shall include, but not be limited to, instructions
26 for the provisions for health care coverage, the amount to be withheld
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30 Consumer Credit Protection Act (15 U.S.C.s.1673 (b)); that the payor
31 shall send the amount to the Probation Division at the same time the
32 obligor is paid, unless the Probation Division directs that payment be
33 made to another individual or entity; that the payor may deduct and
34 retain a fee of \$1.00 in addition to the amount of the support order
35 except when the payment is received from the unemployment
36 compensation fund; that withholding is binding on the payor until
37 further notice by the Probation Division; that, in accordance with
38 section 6 of P.L.1981, c.417 (C.2A:17-56.12), the payor is subject to
39 a fine and civil damages as determined by the court for discharging an
40 obligor from employment, refusing to employ, or taking disciplinary
41 action against an obligor subject to an income withholding because of
42 the withholding or any obligation which it imposes upon the payor;
43 that the payor is subject to a fine as determined by the court for failure

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

1 to withhold support from the obligor's income or pay the withheld
2 amount to the Probation Division; that if the payor fails to take
3 appropriate action with regard to the provisions for health care
4 coverage or withhold wages in accordance with the provisions of the
5 notice, the payor is liable for any medical expenses incurred by the
6 children subject to the provisions for health care coverage and any
7 amount up to the accumulated amount the payor should have withheld
8 from the obligor's income; that the withholding shall have priority over
9 any other legal process under State law against the same income; that
10 the payor may combine withheld amounts from the obligor's income in
11 a single payment to the Probation Division and separately identify the
12 portion of the single payment which is attributable to each obligor
13 unless submitted pursuant to section 7 of P.L.1981, c.417
14 (C.2A:17-56.13) or through electronic funds transfer; that if there is
15 more than one support order for withholding against a single obligor,
16 the payor shall withhold the payments on a pro rata basis to fully
17 comply with the support orders, to the extent that the total amount
18 withheld does not exceed the limits imposed under section 303 (b) of
19 the federal Consumer Credit Protection Act (15 U.S.C. s.1673 (b));
20 that the payor shall implement withholding no later than the first pay
21 period that ends immediately after the date the notice was postmarked,
22 except that the payor is not required to alter regular pay cycles to
23 comply with the withholding; and that the payor shall notify the
24 Probation Division promptly upon the termination of the obligor's
25 employment benefits and provide the obligor's last known address and
26 the name and address of the obligor's new payor, if known.

27 A payor served with an income withholding notice shall be liable to
28 the obligee for failure to deduct the amounts specified. The obligee or
29 the Probation Division may commence a proceeding against the payor
30 for accrued deductions, together with interest and reasonable
31 attorney's fees.

32 In accordance with section 314 of Pub.L.104-193, a payor who
33 complies with an income withholding notice that is regular on its face
34 shall be immune from civil liability for conduct in compliance with the
35 notice.

36 b. When a payor receives an income withholding notice issued by
37 another state, the payor shall apply the income withholding law of the
38 state in which the obligor's principal place of employment is located in
39 determining:

- 40 (1) the payor's fee for processing the income withholding;
- 41 (2) the maximum amount permitted to be withheld from the
42 obligor's income;
- 43 (3) the time periods within which the payor must implement the
44 income withholding order and forward the child support payment;
- 45 (4) the priorities for withholding and allocating income withheld
46 for multiple obligees; and

1 (5) any withholding terms or conditions not specified in the
2 support order or notice.

3 c. The Probation Division shall use the National Medical Support
4 Notice for medical support orders upon its adoption by federal
5 regulation pursuant to the "Child Support Performance and Incentive
6 Act of 1998," Pub.L.105-200.

7 (cf: P.L.1998, c.1, s.22.)

8

9 2. Section 1 of P.L.1995, c.58 (C.2A:34-23c) is amended to read
10 as follows:

11 1. Any order **[for] or judgment that includes** child support **[issued**
12 **pursuant to the provisions of N.J.S.2A:34-23]** shall include provisions
13 indicating the party responsible for maintaining **[medical support]**
14 health care coverage for the child and the terms and conditions by
15 which that coverage is to be maintained.

16 The provisions of the order or judgment relating to health care
17 coverage shall be enforced through the National Medical Support
18 Notice, upon its adoption by federal regulation pursuant to the "Child
19 Support Performance and Incentive Act of 1998," Pub.L. 105-200.

20 (cf: P.L.1995, c.58, s.1)

21

22 3. This act shall take effect immediately.

23

24

25

STATEMENT

26

27 This bill amends N.J.S.A.2A:17-56.11 to require that, upon
28 adoption of a National Medical Support Notice by the federal
29 government pursuant to the "Child Support Performance and Incentive
30 Act of 1998," an order for the provision of health care coverage shall
31 be served upon an obligor's payor (employer) through that notice.
32 Under federal law, this uniform notice will serve as a qualified medical
33 support order for all employees, including those covered under ERISA
34 plans, church plans and governmental plans.

35 The bill also amends N.J.S.A.2A:34-23c to require that any order
36 or judgment that includes child support shall include a provision
37 indicating the party responsible for maintaining health care coverage
38 for a child. Currently, only an order for child support issued pursuant
39 to N.J.S.A.2A:34-23 is required to include a provision indicating
40 which party is responsible for maintaining health care coverage.

ASSEMBLY SENIOR ISSUES AND COMMUNITY SERVICES
COMMITTEE

STATEMENT TO

ASSEMBLY, No. 2072

with committee amendments

STATE OF NEW JERSEY

DATED: MARCH 22, 2001

The Assembly Senior Issues and Community Services Committee reports favorably and with committee amendments Assembly Bill No. 2072.

This bill amends N.J.S.A.2A:17-56.11 to require the Probation Division to use the National Medical Support Notice for medical support orders upon its adoption by federal regulation pursuant to the "Child Support Performance and Incentive Act of 1998." Under federal law, this uniform notice would serve as a qualified medical support order for all employees, including those covered under ERISA plans, church plans and governmental plans.

The bill also amends N.J.S.A.2A:34-23c to require that any order or judgment that includes child support shall include a provision indicating the party responsible for maintaining health care coverage for a child. Currently, only an order for child support issued pursuant to N.J.S.A.2A:34-23 is required to include a provision indicating which party is responsible for maintaining health care coverage.

The committee amended the bill to reflect recently enacted legislation, P.L. 2000, c. 81, which provides for the establishment of liens on net proceeds of settlements, judgments, inheritance or awards to pay for child support judgments.

These amendments make this bill identical to Senate Bill No. 232 (1R).

[First Reprint]

ASSEMBLY, No. 2072

STATE OF NEW JERSEY
209th LEGISLATURE

INTRODUCED FEBRUARY 24, 2000

Sponsored by:

Assemblyman NEIL M. COHEN

District 20 (Union)

Co-Sponsored by:

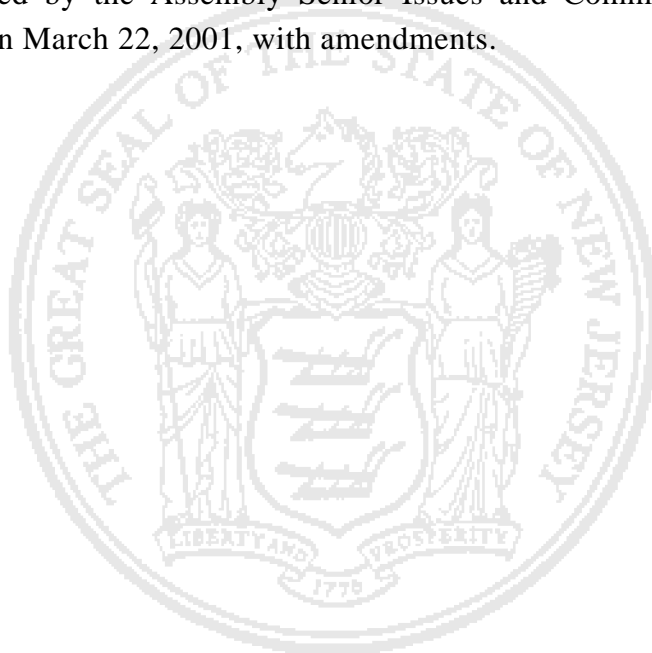
Assemblywoman Weinberg

SYNOPSIS

Requires child support order relating to health care coverage be enforced through National Medical Support Notice and indicate the party responsible for maintaining the coverage.

CURRENT VERSION OF TEXT

As reported by the Assembly Senior Issues and Community Services Committee on March 22, 2001, with amendments.



(Sponsorship Updated As Of: 4/20/2001)

1 AN ACT concerning health care coverage pursuant to a child support
2 order and amending P.L.1981, c.417 and P.L.1995, c.58.

3
4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6
7 1. Section 5 of P.L.1981, c.417 (C.2A:17-56.11) is amended to
8 read as follows:

9 5. a. An income withholding made under P.L.1981, c.417
10 (C.2A:17-56.8 et seq.) and provisions for health care coverage shall
11 be binding upon the payor and successor payors immediately after
12 service upon the payor by the Probation Division of a copy of the
13 income withholding and an order for the provision of health care
14 coverage, by regular mail. The payor is to pay the withheld amount to
15 the Probation Division at the same time the obligor is paid. The payor
16 shall implement withholding and the provisions for health care
17 coverage no later than the first pay period that ends immediately after
18 the date the notice was postmarked, except that the payor is not
19 required to alter regular pay cycles to comply with the withholding.
20 For each payment, other than payment received from the
21 unemployment compensation fund, the payor may receive \$1.00, which
22 shall be deducted from the obligor's income in addition to the amount
23 of the support order to compensate the payor for the administrative
24 expense of processing the withholding.

25 Notice to the payor shall include, but not be limited to, instructions
26 for the provisions for health care coverage, the amount to be withheld
27 from the obligor's income and a statement that the total amount
28 withheld for support and other purposes may not be in excess of the
29 maximum amount permitted under section 303 (b) of the federal
30 Consumer Credit Protection Act (15 U.S.C.s.1673 (b)); that the payor
31 shall send the amount to the Probation Division at the same time the
32 obligor is paid, unless the Probation Division directs that payment be
33 made to another individual or entity; that the payor may deduct and
34 retain a fee of \$1.00 in addition to the amount of the support order
35 except when the payment is received from the unemployment
36 compensation fund; that withholding is binding on the payor until
37 further notice by the Probation Division; that, in accordance with
38 section 6 of P.L.1981, c.417 (C.2A:17-56.12), the payor is subject to
39 a fine and civil damages as determined by the court for discharging an
40 obligor from employment, refusing to employ, or taking disciplinary
41 action against an obligor subject to an income withholding because of
42 the withholding or any obligation which it imposes upon the payor;

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly ASC committee amendments adopted March 22, 2001.

1 that the payor is subject to a fine as determined by the court for failure
2 to withhold support from the obligor's income or pay the withheld
3 amount to the Probation Division; that if the payor fails to take
4 appropriate action with regard to the provisions for health care
5 coverage or withhold wages in accordance with the provisions of the
6 notice, the payor is liable for any medical expenses incurred by the
7 children subject to the provisions for health care coverage and any
8 amount up to the accumulated amount the payor should have withheld
9 from the obligor's income; that the withholding shall have priority over
10 any other legal process under State law against the same income; that
11 the payor may combine withheld amounts from the obligor's income in
12 a single payment to the Probation Division and separately identify the
13 portion of the single payment which is attributable to each obligor
14 unless submitted pursuant to section 7 of P.L.1981, c.417
15 (C.2A:17-56.13) or through electronic funds transfer; that if there is
16 more than one support order for withholding against a single obligor,
17 the payor shall withhold the payments on a pro rata basis to fully
18 comply with the support orders, to the extent that the total amount
19 withheld does not exceed the limits imposed under section 303 (b) of
20 the federal Consumer Credit Protection Act (15 U.S.C. s.1673 (b));
21 that the payor shall implement withholding no later than the first pay
22 period that ends immediately after the date the notice was postmarked,
23 except that the payor is not required to alter regular pay cycles to
24 comply with the withholding; and that the payor shall notify the
25 Probation Division promptly upon the termination of the obligor's
26 employment benefits and provide the obligor's last known address and
27 the name and address of the obligor's new payor, if known.

28 A payor served with an income withholding notice shall be liable to
29 the obligee for failure to deduct the amounts specified. The obligee or
30 the Probation Division may commence a proceeding against the payor
31 for accrued deductions, together with interest and reasonable
32 attorney's fees.

33 In accordance with section 314 of Pub.L.104-193, a payor who
34 complies with an income withholding notice that is regular on its face
35 shall be immune from civil liability for conduct in compliance with the
36 notice.

37 b. When a payor receives an income withholding notice issued by
38 another state, the payor shall apply the income withholding law of the
39 state in which the obligor's principal place of employment is located in
40 determining:

- 41 (1) the payor's fee for processing the income withholding;
- 42 (2) the maximum amount permitted to be withheld from the
43 obligor's income;
- 44 (3) the time periods within which the payor must implement the
45 income withholding order and forward the child support payment;
- 46 (4) the priorities for withholding and allocating income withheld

1 for multiple obligees; and

2 (5) any withholding terms or conditions not specified in the
3 support order or notice.

4 c. ¹If an obligor is injured and eligible for workers' compensation
5 under chapter 15 of Title 34 of the Revised Statutes or other disability
6 benefits, the payor shall forward a copy of the income withholding to
7 the insurance carrier at the same time an obligor's claim for workers'
8 compensation is submitted to the Division of Workers' Compensation
9 in the Department of Labor. The income withholding shall be binding
10 upon the insurance carrier and the insurance carrier shall implement
11 the income withholding pursuant to the provisions of this section.

12 d.¹ The Probation Division shall use the National Medical Support
13 Notice for medical support orders upon its adoption by federal
14 regulation pursuant to the "Child Support Performance and Incentive
15 Act of 1998," Pub.L.105-200.

16 (cf: P.L. 2000, c.81, s.2.)

17

18 2. Section 1 of P.L.1995, c.58 (C.2A:34-23c) is amended to read
19 as follows:

20 1. Any order [for] or judgment that includes child support [issued
21 pursuant to the provisions of N.J.S.2A:34-23] shall include provisions
22 indicating the party responsible for maintaining [medical support]
23 health care coverage for the child and the terms and conditions by
24 which that coverage is to be maintained.

25 The provisions of the order or judgment relating to health care
26 coverage shall be enforced through the National Medical Support
27 Notice, upon its adoption by federal regulation pursuant to the "Child
28 Support Performance and Incentive Act of 1998," Pub.L. 105-200.

29 (cf: P.L.1995, c.58, s.1)

30

31 3. This act shall take effect immediately.

P.L. 2001, CHAPTER 188, *approved July 31, 2001*

Senate, No. 232 (*First Reprint*)

1 **AN ACT** concerning health care coverage pursuant to a child support
2 order and amending P.L.1981, c.417 and P.L.1995, c.58.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. Section 5 of P.L.1981, c.417 (C.2A:17-56.11) is amended to
8 read as follows:

9 5. a. An income withholding made under P.L.1981, c.417
10 (C.2A:17-56.8 et seq.) and provisions for health care coverage shall
11 be binding upon the payor and successor payors immediately after
12 service upon the payor by the Probation Division of a copy of the
13 income withholding and an order for the provision of health care
14 coverage, by regular mail. The payor is to pay the withheld amount to
15 the Probation Division at the same time the obligor is paid. The payor
16 shall implement withholding and the provisions for health care
17 coverage no later than the first pay period that ends immediately after
18 the date the notice was postmarked, except that the payor is not
19 required to alter regular pay cycles to comply with the withholding.
20 For each payment, other than payment received from the
21 unemployment compensation fund, the payor may receive \$1.00, which
22 shall be deducted from the obligor's income in addition to the amount
23 of the support order to compensate the payor for the administrative
24 expense of processing the withholding.

25 Notice to the payor shall include, but not be limited to, instructions
26 for the provisions for health care coverage, the amount to be withheld
27 from the obligor's income and a statement that the total amount
28 withheld for support and other purposes may not be in excess of the
29 maximum amount permitted under section 303 (b) of the federal
30 Consumer Credit Protection Act (15 U.S.C.s.1673 (b)); that the payor
31 shall send the amount to the Probation Division at the same time the
32 obligor is paid, unless the Probation Division directs that payment be
33 made to another individual or entity; that the payor may deduct and
34 retain a fee of \$1.00 in addition to the amount of the support order
35 except when the payment is received from the unemployment
36 compensation fund; that withholding is binding on the payor until
37 further notice by the Probation Division; that, in accordance with
38 section 6 of P.L.1981, c.417 (C.2A:17-56.12), the payor is subject to
39 a fine and civil damages as determined by the court for discharging an
40 obligor from employment, refusing to employ, or taking disciplinary

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

Matter enclosed in superscript numerals has been adopted as follows:

¹ Assembly ASC committee amendments adopted March 22, 2001.

1 action against an obligor subject to an income withholding because of
2 the withholding or any obligation which it imposes upon the payor;
3 that the payor is subject to a fine as determined by the court for failure
4 to withhold support from the obligor's income or pay the withheld
5 amount to the Probation Division; that if the payor fails to take
6 appropriate action with regard to the provisions for health care
7 coverage or withhold wages in accordance with the provisions of the
8 notice, the payor is liable for any medical expenses incurred by the
9 children subject to the provisions for health care coverage and any
10 amount up to the accumulated amount the payor should have withheld
11 from the obligor's income; that the withholding shall have priority over
12 any other legal process under State law against the same income; that
13 the payor may combine withheld amounts from the obligor's income in
14 a single payment to the Probation Division and separately identify the
15 portion of the single payment which is attributable to each obligor
16 unless submitted pursuant to section 7 of P.L.1981, c.417
17 (C.2A:17-56.13) or through electronic funds transfer; that if there is
18 more than one support order for withholding against a single obligor,
19 the payor shall withhold the payments on a pro rata basis to fully
20 comply with the support orders, to the extent that the total amount
21 withheld does not exceed the limits imposed under section 303 (b) of
22 the federal Consumer Credit Protection Act (15 U.S.C. s.1673 (b));
23 that the payor shall implement withholding no later than the first pay
24 period that ends immediately after the date the notice was postmarked,
25 except that the payor is not required to alter regular pay cycles to
26 comply with the withholding; and that the payor shall notify the
27 Probation Division promptly upon the termination of the obligor's
28 employment benefits and provide the obligor's last known address and
29 the name and address of the obligor's new payor, if known.

30 A payor served with an income withholding notice shall be liable to
31 the obligee for failure to deduct the amounts specified. The obligee or
32 the Probation Division may commence a proceeding against the payor
33 for accrued deductions, together with interest and reasonable
34 attorney's fees.

35 In accordance with section 314 of Pub.L.104-193, a payor who
36 complies with an income withholding notice that is regular on its face
37 shall be immune from civil liability for conduct in compliance with the
38 notice.

39 b. When a payor receives an income withholding notice issued by
40 another state, the payor shall apply the income withholding law of the
41 state in which the obligor's principal place of employment is located in
42 determining:

- 43 (1) the payor's fee for processing the income withholding;
- 44 (2) the maximum amount permitted to be withheld from the
45 obligor's income;
- 46 (3) the time periods within which the payor must implement the

1 income withholding order and forward the child support payment;
2 (4) the priorities for withholding and allocating income withheld
3 for multiple obligees; and
4 (5) any withholding terms or conditions not specified in the
5 support order or notice.

6 c. ¹If an obligor is injured and eligible for workers' compensation
7 under chapter 15 of Title 34 of the Revised Statutes or other disability
8 benefits, the payor shall forward a copy of the income withholding to
9 the insurance carrier at the same time an obligor's claim for workers'
10 compensation is submitted to the Division of Workers' Compensation
11 in the Department of Labor. The income withholding shall be binding
12 upon the insurance carrier and the insurance carrier shall implement
13 the income withholding pursuant to the provisions of this section.

14 d.¹ The Probation Division shall use the National Medical Support
15 Notice for medical support orders upon its adoption by federal
16 regulation pursuant to the "Child Support Performance and Incentive
17 Act of 1998," Pub.L.105-200.

18 (cf: P.L.2000, c.81, s.2.)

19

20 2. Section 1 of P.L.1995, c.58 (C.2A:34-23c) is amended to read
21 as follows:

22 1. Any order **[for] or judgment that includes** child support **[issued**
23 **pursuant to the provisions of N.J.S.2A:34-23]** shall include provisions
24 indicating the party responsible for maintaining **[medical support]**
25 **health care** coverage for the child and the terms and conditions by
26 which that coverage is to be maintained.

27 The provisions of the order or judgment relating to health care
28 coverage shall be enforced through the National Medical Support
29 Notice, upon its adoption by federal regulation pursuant to the "Child
30 Support Performance and Incentive Act of 1998," Pub.L. 105-200.

31 (cf: P.L.1995, c.58, s.1)

32

33 3. This act shall take effect immediately.

34

35

36

37

38 Requires child support order relating to health care coverage be
39 enforced through National Medical Support Notice and indicate the
40 party responsible for maintaining the coverage.

CHAPTER 188

AN ACT concerning health care coverage pursuant to a child support order and amending P.L.1981, c.417 and P.L.1995, c.58.

BE IT ENACTED by the Senate and General Assembly of the State of New Jersey:

1. Section 5 of P.L.1981, c.417 (C.2A:17-56.11) is amended to read as follows:

C.2A:17-56.11 Notice to payor; binding.

5. a. An income withholding made under P.L.1981, c.417 (C.2A:17-56.8 et seq.) and provisions for health care coverage shall be binding upon the payor and successor payors immediately after service upon the payor by the Probation Division of a copy of the income withholding and an order for the provision of health care coverage, by regular mail. The payor is to pay the withheld amount to the Probation Division at the same time the obligor is paid. The payor shall implement withholding and the provisions for health care coverage no later than the first pay period that ends immediately after the date the notice was postmarked, except that the payor is not required to alter regular pay cycles to comply with the withholding. For each payment, other than payment received from the unemployment compensation fund, the payor may receive \$1.00, which shall be deducted from the obligor's income in addition to the amount of the support order to compensate the payor for the administrative expense of processing the withholding.

Notice to the payor shall include, but not be limited to, instructions for the provisions for health care coverage, the amount to be withheld from the obligor's income and a statement that the total amount withheld for support and other purposes may not be in excess of the maximum amount permitted under section 303 (b) of the federal Consumer Credit Protection Act (15 U.S.C.s.1673 (b)); that the payor shall send the amount to the Probation Division at the same time the obligor is paid, unless the Probation Division directs that payment be made to another individual or entity; that the payor may deduct and retain a fee of \$1.00 in addition to the amount of the support order except when the payment is received from the unemployment compensation fund; that withholding is binding on the payor until further notice by the Probation Division; that, in accordance with section 6 of P.L.1981, c.417 (C.2A:17-56.12), the payor is subject to a fine and civil damages as determined by the court for discharging an obligor from employment, refusing to employ, or taking disciplinary action against an obligor subject to an income withholding because of the withholding or any obligation which it imposes upon the payor; that the payor is subject to a fine as determined by the court for failure to withhold support from the obligor's income or pay the withheld amount to the Probation Division; that if the payor fails to take appropriate action with regard to the provisions for health care coverage or withhold wages in accordance with the provisions of the notice, the payor is liable for any medical expenses incurred by the children subject to the provisions for health care coverage and any amount up to the accumulated amount the payor should have withheld from the obligor's income; that the withholding shall have priority over any other legal process under State law against the same income; that the payor may combine withheld amounts from the obligor's income in a single payment to the Probation Division and separately identify the portion of the single payment which is attributable to each obligor unless submitted pursuant to section 7 of P.L.1981, c.417 (C.2A:17-56.13) or through electronic funds transfer; that if there is more than one support order for withholding against a single obligor, the payor shall withhold the payments on a pro rata basis to fully comply with the support orders, to the extent that the total amount withheld does not exceed the limits imposed under section 303 (b) of the federal Consumer Credit Protection Act (15 U.S.C. s.1673 (b)); that the payor shall implement withholding no later than the first pay period that ends immediately after the date the notice was postmarked, except that the payor is not required to alter regular pay cycles to comply with the withholding; and that the payor shall notify the Probation Division promptly upon the termination of the obligor's employment benefits and provide the obligor's last known address and the name and address of the obligor's new payor, if known.

A payor served with an income withholding notice shall be liable to the obligee for failure to deduct the amounts specified. The obligee or the Probation Division may commence a proceeding against the payor for accrued deductions, together with interest and reasonable attorney's fees.

In accordance with section 314 of Pub.L.104-193, a payor who complies with an income withholding notice that is regular on its face shall be immune from civil liability for conduct in compliance with the notice.

b. When a payor receives an income withholding notice issued by another state, the payor shall apply the income withholding law of the state in which the obligor's principal place of employment is located in determining:

- (1) the payor's fee for processing the income withholding;
- (2) the maximum amount permitted to be withheld from the obligor's income;
- (3) the time periods within which the payor must implement the income withholding order and forward the child support payment;
- (4) the priorities for withholding and allocating income withheld for multiple obligees; and
- (5) any withholding terms or conditions not specified in the support order or notice.

c. If an obligor is injured and eligible for workers' compensation under chapter 15 of Title 34 of the Revised Statutes or other disability benefits, the payor shall forward a copy of the income withholding to the insurance carrier at the same time an obligor's claim for workers' compensation is submitted to the Division of Workers' Compensation in the Department of Labor. The income withholding shall be binding upon the insurance carrier and the insurance carrier shall implement the income withholding pursuant to the provisions of this section.

d. The Probation Division shall use the National Medical Support Notice for medical support orders upon its adoption by federal regulation pursuant to the "Child Support Performance and Incentive Act of 1998," Pub.L.105-200.

2. Section 1 of P.L.1995, c.58 (C.2A:34-23c) is amended to read as follows:

C.2A:34-23c Child support order; health care coverage provisions.

1. Any order or judgment that includes child support shall include provisions indicating the party responsible for maintaining health care coverage for the child and the terms and conditions by which that coverage is to be maintained.

The provisions of the order or judgment relating to health care coverage shall be enforced through the National Medical Support Notice, upon its adoption by federal regulation pursuant to the "Child Support Performance and Incentive Act of 1998," Pub.L. 105-200.

3. This act shall take effect immediately.

Approved July 31, 2001.

Office of the Governor

PO BOX 004
TRENTON, NJ 08625

NEWS RELEASE

CONTACT: Rae Hutton
or Kristin Zebrowski
609-777-2600

RELEASE: August 2, 2001

Acting Governor Donald T. DiFrancesco has signed the following legislation:

S-1239, sponsored by Senators Joseph Palaia (R-Monmouth) and Jack Sinagra (R-Middlesex) and Assembly members Marion Crecco (R-Essex/Passaic) and Guy Talarico (R-Bergen), requires parental consent prior to tattooing or body piercing of minors. This bill makes it a disorderly offense for a person to knowingly tattoo or body pierce a minor under the age of 18 without prior consent of the parent or guardian.

S-232, sponsored by Senator Wayne Bryant (D-Camden/Gloucester) and Assemblymen Neil Cohen (D-Union), requires a child support order relating to health care coverage be enforced through National Medical Support Notice and indicate the party responsible for maintaining the coverage.

S-812, sponsored by Senators Joseph Kyrillos (R-Middlesex/Monmouth) and Bernard Kenny (D-Hudson) and Assemblyman Joseph Azzolina (R-Middlesex/Monmouth), provides that a municipal authority may allow certain employees to waive the SHBP coverage to which the employee is entitled by virtue of employment with the municipal authority.

S-1641, sponsored by Senators John Matheussen (R-Camden/Gloucester) and Norman Robertson (R-Essex/Passaic) and Assemblymen Kip Bateman (R-Morris/Somerset) and Charles Zisa (D-Bergen), directs certain juvenile justice records be available to law enforcement agencies and prosecutors on a 24-hour basis. Types of information which would be made available under this bill includes juvenile arrest information, juvenile disposition information, juvenile pretrial detention information and information concerning the probation status of a juvenile.

A-1980, sponsored by Senate Majority Leader John Bennett (R-Monmouth) and Assemblyman Neil Cohen (D-Union), permits a corporation to change from an operating corporation to a holding corporation without shareholder approval and without the need to transfer assets and liabilities.

A-3219, sponsored by Senators Gerald Cardinale (R-Bergen) and Garry Furnari (D-Bergen/Essex/Passaic) and Assemblymen Kip Bateman (R-Morris/Somerset) and Richard Merkt (R-Morris), limits the cost of a "Y2K" examination of a domestic fraternal benefit society to no more than one percent of the society's 1999 net premiums received. The balance for any such examination would be paid by the Department of Banking and Insurance.

A-314, sponsored by Senators Jack Sinagra (R-Middlesex) and John Adler (D-Camden) and Assembly members Charlotte Vandervalk (R-Bergen) and Neil Cohen (D-Union), establishes a permanent commission to be known as the "New Jersey Health Data Commission. The 33-

member Commission would collect and maintain health data from State government agencies or other entities.

The bill also appropriates \$94,000 and assumes that the cost to the State to operate the Commission will be partially offset by payments for Commission documents and receipt of grants.