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AN ACT concerning child support.

Be it enacted by the People of the State of Illinois,represented in the General Assembly:

4 Section 5. The Income Withholding for Support Act is
5 amended by changing Section 35 as follows:

6 (750 ILCS 28/35)

7 Sec. 35. Duties of payor.

8 (a) It shall be the duty of any payor who has been served with an income withholding notice to deduct and pay 9 over income as provided in this Section. The payor shall 10 deduct the amount designated in the income withholding 11 notice, as supplemented by any notice provided pursuant to 12 13 subsection (f) of Section 45, beginning no later than the next payment of income which is payable or creditable to the 14 15 obligor that occurs 14 days following the date the income 16 withholding notice was mailed, sent by facsimile or other electronic means, or placed for personal delivery to or 17 service on the payor. The payor may combine all amounts 18 withheld for the benefit of an obligee or public office into 19 20 a single payment and transmit the payment with a listing of obligors from whom withholding has been effected. The payor 21 22 shall pay the amount withheld to the State Disbursement Unit within 7 business days after the date the amount would (but 23 for the duty to withhold income) have been paid or credited 24 to the obligor. If the payor knowingly fails to withhold the 25 26 amount designated in the income withholding notice or to pay 27 any amount withheld to the State Disbursement Unit within 7 business days after the date the amount would have been paid 28 29 or credited to the obligor, then the payor shall pay a penalty of \$100 for each day that the withheld amount 30 31 designated in the income withholding notice (whether or not

SB1503 Engrossed

-2-

1 withheld by the payor) is not paid to the State Disbursement 2 Unit after the period of 7 business days has expired. The failure of a payor, on more than one occasion, to pay amounts 3 4 withheld to the State Disbursement Unit within 7 business days after the date the amount would have been paid or 5 б credited to the obligor creates a presumption that the payor 7 knowingly failed to pay over the amounts. This penalty may be collected in a civil action which may be brought against 8 9 the payor in favor of the obligee or public office. A finding of a payor's nonperformance within the time required under 10 11 this Act must be documented by a certified mail return receipt showing the date the income withholding notice was 12 served on the payor. For purposes of this Act, a withheld 13 amount shall be considered paid by a payor on the date it is 14 15 mailed by the payor, or on the date an electronic funds 16 transfer of the amount has been initiated by the payor, or on the date delivery of the amount has been initiated by the 17 payor. For each deduction, the payor shall provide the State 18 19 Disbursement Unit, at the time of transmittal, with the date the amount would (but for the duty to withhold income) have 20 21 been paid or credited to the obligor.

22 After June 30, 2000, every payor that has 250 or more 23 employees shall use electronic funds transfer to pay all amounts withheld under this Section. During the year 2001 and 24 25 during each year thereafter, every payor that has fewer than 250 employees and that withheld income under this Section 26 pursuant to 10 or more income withholding notices during 27 December of the preceding year shall use electronic funds 28 29 transfer to pay all amounts withheld under this Section.

30 Upon receipt of an income withholding notice requiring 31 that a minor child be named as a beneficiary of a health 32 insurance plan available through an employer or labor union 33 or trade union, the employer or labor union or trade union 34 shall immediately enroll the minor child as a beneficiary in SB1503 Engrossed

1 the health insurance plan designated by the income 2 withholding notice. The employer shall withhold any required premiums and pay over any amounts so withheld and any 3 4 additional amounts the employer pays to the insurance carrier The employer or labor union or trade 5 in a timely manner. union shall mail to the obligee, within 15 days of enrollment 6 7 or upon request, notice of the date of coverage, information 8 on the dependent coverage plan, and all forms necessary to 9 obtain reimbursement for covered health expenses, such as would be made available to a new employee. When an order for 10 11 dependent coverage is in effect and the insurance coverage is terminated or changed for any reason, the employer or labor 12 union or trade union shall notify the obligee within 10 days 13 of the termination or change date along with notice of 14 15 conversion privileges.

For withholding of income, the payor shall be entitled to receive a fee not to exceed \$5 per month to be taken from the income to be paid to the obligor.

(b) Whenever the obligor is no longer receiving income from the payor, the payor shall return a copy of the income withholding notice to the obligee or public office and shall provide information for the purpose of enforcing this Act.

23 Withholding of income under this Act shall be made (C) without regard to any prior or subsequent garnishments, 24 25 attachments, wage assignments, or any other claims of creditors. Withholding of income under this Act shall not be 26 in excess of the maximum amounts permitted under the federal 27 Consumer Credit Protection Act. available 28 Income for 29 withholding shall be applied first to the current support 30 obligation, then to any premium required for employer, labor union, or trade union-related health insurance coverage 31 32 ordered under the order for support, and then to payments 33 required on past-due support obligations. If there is 34 insufficient available income remaining to pay the full

1 amount of the required health insurance premium after 2 withholding of income for the current support obligation, 3 then the remaining available income shall be applied to 4 payments required on past-due support obligations. If the 5 payor has been served with more than one income withholding 6 notice pertaining to the same obligor, the payor shall 7 allocate income available for withholding on a proportionate share basis, giving priority to current support payments. 8 Α 9 payor who complies with an income withholding notice that is regular on its face shall not be subject to civil liability 10 11 with respect to any individual, any agency, or any creditor of the obligor for conduct in compliance with the notice. 12

13 (d) No payor shall discharge, discipline, refuse to hire 14 or otherwise penalize any obligor because of the duty to 15 withhold income.

16 (Source: P.A. 91-212, eff. 7-20-99; 91-677, eff. 1-5-00; 17 92-590, eff. 7-1-02.)