

HOUSE BILL ANALYSIS

HB 2026

Title: An act relating to overpayment of wage assignment.

Brief Description: Requiring persons or agencies to reimburse an obligor for overpayment of wage assignment.

Sponsors: Representative Boldt.

HOUSE COMMITTEE ON LAW & JUSTICE

Staff: Trudes Hutcheson (786-7384).

Background: There are numerous provisions governing the enforcement of child support and spousal maintenance obligations. Except under certain circumstances, child support orders generally provide for immediate income withholding. A person owing spousal maintenance obligations may also be subject to immediate income withholding.

An employer receiving an income withholding order must withhold from the obligor's earnings each month or from each earnings disbursement, the lesser of:

- (a) the sum of the accrued support or maintenance debt plus the current support or maintenance obligation;
- (b) the sum of the arrearage payment amount specified in the wage withholding order plus the current support or maintenance obligation; or
- (c) 50 percent of the disposable earnings of the obligor.

In any case, the employer cannot withhold more than 50 percent of the obligor's disposable earnings. Depending upon the type of order, the employer must remit payments to the Washington State Child Support Registry or other address stated in the income withholding order.

Disposable earnings— are the earnings remaining after deducting whatever amounts are required by law.

Summary of Bill: When the total amount of wages withheld in a month exceeds the amount allowed to be withheld by statute, the person or agency receiving the overpayment must reimburse the obligor the full amount of the overpayment. The obligor must provide sufficient documentation to verify that an overpayment has occurred. If there is a dispute as to the overpayment or the documentation, either

party may file an application for an adjudicative hearing. Reimbursement is not required if the obligor wants the overpayment to be applied as payment towards arrears or future support obligation.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.