ENGROSSED SUBSTITUTE HOUSE BILL 1652

State of Washington 68th Le

68th Legislature

2023 Regular Session

By House Appropriations (originally sponsored by Representatives Taylor, Couture, and Rule)

READ FIRST TIME 02/24/23.

- 1 AN ACT Relating to child support pass through; amending RCW
- 2 26.23.035; adding a new section to chapter 74.08A RCW; creating a new
- 3 section; and providing an effective date.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 26.23.035 and 2020 c 349 s 1 are each amended to 6 read as follows:
- 7 (1) The department of social and health services shall adopt 8 rules for the distribution of support money collected by the division 9 of child support. These rules shall:
- 10 (a) Comply with Title IV-D of the federal social security act as 11 amended by the personal responsibility and work opportunity 12 reconciliation act of 1996 and the federal deficit reduction act of 13 2005;
- 14 (b) Direct the division of child support to distribute support
 15 money within eight days of receipt, unless one of the following
 16 circumstances, or similar circumstances specified in the rules,
 17 prevents prompt distribution:
- 18 (i) The location of the custodial parent is unknown;
- 19 (ii) The support debt is in litigation;
- 20 (iii) The division of child support cannot identify the 21 responsible parent or the custodian;

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(c) Provide for proportionate distribution of support payments if the responsible parent owes a support obligation or a support debt for two or more Title IV-D cases; and

- (d) Authorize the distribution of support money, except money collected under 42 U.S.C. Sec. 664, to satisfy a support debt owed to the IV-D custodian before the debt owed to the state when the custodian stops receiving a public assistance grant.
- (2) The division of child support may distribute support payments to the payee under the support order or to another person who has lawful physical custody of the child or custody with the payee's consent. The payee may file an application for an adjudicative proceeding to challenge distribution to such other person. Prior to distributing support payments to any person other than the payee, the registry shall:
- (a) Obtain a written statement from the child's physical custodian, under penalty of perjury, that the custodian has lawful custody of the child or custody with the payee's consent;
- (b) Mail to the responsible parent and to the payee at the payee's last known address a copy of the physical custodian's statement and a notice which states that support payments will be sent to the physical custodian; and
- (c) File a copy of the notice with the clerk of the court that entered the original support order.
- (3) If the Washington state support registry distributes a support payment to a person in error, the registry may obtain restitution by means of a set-off against future payments received on behalf of the person receiving the erroneous payment, or may act according to RCW 74.20A.270 as deemed appropriate. Any set-off against future support payments shall be limited to amounts collected on the support debt and ((ten)) 10 percent of amounts collected as current support.
- (4) ((Effective February 1, 2021, consistent)) Consistent with 42 U.S.C. Sec. 657(a) as amended by section 7301(b)(7)(B) of the federal deficit reduction act of 2005, the department shall pass through ((child support that does not exceed fifty dollars per month collected on behalf of a family, or in the case of a family that includes two or more children an amount that is not more than one hundred dollars per month)) to a family all amounts collected as current child support each month on behalf of the family. The department has rule-making authority to implement this subsection.

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- NEW SECTION. Sec. 2. A new section is added to chapter 74.08A RCW to read as follows:
- The department shall disregard and not count as income any amount of current child support passed through to applicants or recipients pursuant to RCW 26.23.035 in determining eligibility for and the amount of temporary assistance for needy families or WorkFirst.
- NEW SECTION. Sec. 3. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2023, in the omnibus appropriations act, this act is null and void.
- 11 <u>NEW SECTION.</u> **Sec. 4.** This act takes effect July 1, 2024.

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