

GENERAL ASSEMBLY OF NORTH CAROLINA
1985 SESSION

CHAPTER 781
SENATE BILL 337

AN ACT TO AMEND THE APPLICATION FEE AND COST RECOVERY
PROVISIONS OF G.S. 110-130.1 REGARDING NON-AFDC SERVICES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 110-130.1 is amended by deleting the present caption and adding a new caption to read as follows:

"§ 110-130.1. Non-AFDC Services".

Sec. 2. G.S. 110-130.1(a) is amended by removing the words and number "twenty dollar (\$20.00)" and inserting in lieu thereof: "ten dollar (\$10.00)".

Sec. 3. G.S. 110-130.1(b) is amended to read as follows:

"(b) The costs in excess of the application fee incurred in providing services to a non-AFDC client shall be recovered by deducting ten percent (10%) of the support collected, until the costs incurred in the case have been recovered. The incurred costs recovered in this manner may be reduced by costs recovered directly from payments by the responsible parent which the court may order, or by voluntary payments from either the responsible parent or the non-AFDC client. No costs shall be charged or recovered until all public assistance debts created under this Article have been liquidated. Recoverable costs shall be the actual costs incurred in providing services, including any court costs and paternity blood testing costs which a financially capable non-AFDC client may be required to advance. Administrative costs shall not exceed the rate of fifteen dollars (\$15.00) per hour, and legal costs shall not exceed the rate of forty-five dollars (\$45.00) per hour.

The appropriate judicial official shall be informed that such costs are to be recovered through the ten percent (10%) deduction mechanism, except as the recoverable costs are reduced by voluntary payments from either party or direct payments by the responsible parent which the court may order.

In all non-AFDC client cases in which ongoing enforcement services are provided as authorized herein, the support collected shall be transmitted to the Department of Human Resources and distributed in accordance with federal law and the provisions of this section. When incurred costs remain unreimbursed at the time the responsibility for providing services ends, amounts collected will continue to be channeled through the Department of Human Resources by the clerks of superior court for distribution to the non-AFDC client until all unreimbursed costs have been collected, either through application of the ten percent (10%) deduction mechanism, or through direct payments by the responsible parent or non-AFDC client.

Any costs remaining unrecovered under any of these methods after the responsibility for providing services terminates shall constitute a debt owed to the State by the non-AFDC client applicant upon order of the court."

Sec. 4. G.S. 110-130.1(c) is amended by inserting the phrase "or proceedings" following the word "Actions" in the first line.

Sec. 5. G.S. 110-130.1 is amended by adding a new subsection to read as follows:

"(d) Any fee imposed by the North Carolina Department of Revenue or the Secretary of the Treasury to cover their costs of withholding for non-AFDC arrearages certified for the collection of past due support from State or federal income tax refunds shall be borne by the client by deducting the fee from the amount collected.

Any income tax refund offset amounts which are subsequently determined to have been incorrectly withheld and distributed to a client, and which must be refunded by the State to a responsible parent or the nondebtor spouse, shall constitute a debt to the State owed by the client."

Sec. 6. This act is effective upon ratification and shall expire June 30, 1987.

In the General Assembly read three times and ratified, this the 17th day of July, 1985.