IC 31-25-4

Chapter 4. Child Support Provisions of Title IV-D of the Federal Social Security Act

IC 31-25-4-1

"Bureau"

Sec. 1. As used in this chapter, "bureau" refers to the child support bureau established by IC 31-25-3-1.

As added by P.L.145-2006, SEC.271.

IC 31-25-4-2

"Delinquent"

Sec. 2. As used in this chapter, "delinquent" means at least:

(1) two thousand dollars ($2,000); or

(2) three (3) months;

past due on payment of court ordered child support.

As added by P.L.145-2006, SEC.271.

IC 31-25-4-3

"Account"

Sec. 3. (a) As used in this chapter with regard to a financial institution data match, "account" has the meaning set forth in 42 U.S.C. 666, and includes any of the following:

(1) A demand deposit account.

(2) A checking or negotiable order of withdrawal account.

(3) A savings account.

(4) A timed deposit account.

(5) A money market mutual fund account.

(b) As used in this chapter, "financial institution" has the meaning set forth in 42 U.S.C. 666, and includes the following:

(1) A depository institution, as defined in Section 3(c) of the Federal Deposit Insurance Act (12 U.S.C. 1813(c)).

(2) An institution affiliated party, as defined in Section 3(u) of the Federal Deposit Insurance Act (12 U.S.C. 1813(u)).

(3) A federal or state credit union, as defined in Section 101 of the Federal Credit Union Act (12 U.S.C. 1752), including an institution affiliated party of a credit union (as defined in Section 206(r) of the Act).

(4) A benefit association, insurance company, safe deposit company, money market mutual fund, or similar entity authorized to do business in Indiana.

As added by P.L.145-2006, SEC.271.

IC 31-25-4-4

"Obligor"

Sec. 4. As used in this chapter, "obligor" means a person whose support obligation is enforced by the Title IV-D agency.

As added by P.L.145-2006, SEC.271.

IC 31-25-4-5

"Plan"

Sec. 5. As used in this chapter, "plan" refers to the state plan developed to implement the provisions of Title IV-D of the federal Social Security Act.

As added by P.L.145-2006, SEC.271.

IC 31-25-4-6

Repealed

(Repealed by P.L.1-2007, SEC.248.)

IC 31-25-4-7

Duties of bureau

Sec. 7. The bureau shall do the following:

(1) Develop and implement the state's plan for the administration of Title IV-D. The plan must comply with all provisions of state law and with the federal statutes and regulations governing the program.

(2) Evaluate formally the quality, efficiency, effectiveness, and scope of services provided under the plan developed and approved by the governor and the United States Department of Health and Human Services.

(3) Control financially the operation of the plan.

(4) Coordinate activities relating to and in compliance with the requirements of the state's reciprocal enforcement of support law of cases being pursued under the state plan. The bureau shall make requests to the United States Department of Health and Human Services Office of Child Support Enforcement for use of the federal parent locator service, the other states' parent locator services, the federal district courts, and the Internal Revenue Service.

(5) Operate the state parent locator service.

As added by P.L.145-2006, SEC.271.

IC 31-25-4-8

Additional duties of bureau

Sec. 8. In addition to the duties imposed by section 7 of this chapter, the bureau shall do the following:

(1) Perform one (1) of the following under IC 22-4-39:

(A) Enter into an agreement with each individual who owes a child support obligation being enforced by the child support bureau and who is eligible for unemployment compensation benefits under IC 22-4 to have a specified amount withheld from the benefits otherwise payable to the individual, not to exceed the individual's unemployment compensation weekly benefit amount.

(B) Bring legal process to require the withholding of specified amounts from the individual's unemployment compensation benefits.

(C) Accept an amount specified by the individual to be deducted and withheld by the department of workforce

development.

(2) Notify the department of workforce development of the amounts to be deducted from an individual's unemployment compensation as determined under subdivision (1), not to exceed the individual's weekly benefit amount of unemployment compensation.

(3) Reimburse the department of workforce development for the administrative costs incurred by the department under IC 22-4-39.

As added by P.L.145-2006, SEC.271.

IC 31-25-4-8.5
Duties related to interception of winnings and prizes

Sec. 8.5. In addition to the duties imposed by sections 7 and 8 of this chapter, the bureau shall do the following:

(1) Share data regarding obligors who are delinquent with:

(A) a licensed owner, operating agent, and trustee in accordance with IC 4-33-4-27;

(B) a permit holder and trustee in accordance with IC 4-35-4-16; and

(C) the state lottery commission;

to allow for the interception of cash winnings and prizes from the obligors.

(2) Distribute money collected from the persons described in subdivision (1) according to federal child support laws and regulations.

As added by P.L.80-2010, SEC.48.

IC 31-25-4-9
Federal requirements

Sec. 9. The bureau shall consider and follow the federal requirements imposed by statute and regulation governing the formation of the state plan.

As added by P.L.145-2006, SEC.271.

IC 31-25-4-10
Agreements and communications with Title IV-A administrator; time frame requirement

Sec. 10. The bureau shall make the agreements and maintain the communications necessary with the agency that administers Title IV-A of the federal Social Security Act to ensure proper operation of the total program. Prompt notice for action in all cases must be given between the bureau and the agency that administers Title IV-A of the Federal Social Security Act. Cases shall be handled within the time frame established by the federal statutes and regulations governing the program's administration.

As added by P.L.145-2006, SEC.271.

IC 31-25-4-11
State case registry; contents

Sec. 11. (a) The bureau shall maintain the state case registry required under 42 U.S.C. 654A(e).

(b) The state case registry must contain the following:

(1) Records of each case in which the bureau provides services.

(2) Each child support order established or modified after September 30, 1998.

(c) To carry out the bureau's responsibilities under this section, each circuit court clerk shall enter into an agreement with the bureau to provide all information necessary for the registry.

As added by P.L.145-2006, SEC.271.

IC 31-25-4-12

Federal courts; contact

Sec. 12. The bureau shall make all contact with the federal courts necessary under federal law and guidelines.

As added by P.L.145-2006, SEC.271.

IC 31-25-4-13

Repealed

(Repealed by P.L.1-2007, SEC.248.)

IC 31-25-4-13.1

Agreements with local government officials; contracting; attorney-client relationship; informing applicant; service level stipulation

Sec. 13.1. (a) This section applies after December 31, 2006.

(b) The bureau shall make the agreements necessary for the effective administration of the plan with local governmental officials within Indiana. The bureau shall contract with:

(1) a prosecuting attorney;

(2) a private attorney or private entity if the bureau determines that a reasonable contract cannot be entered into with a prosecuting attorney and the determination is approved by at least two-thirds (2/3) of the interim study committee on public health, behavioral health, and human services established by IC 2-5-1.3-4; or

(3) a collection agency licensed under IC 25-11 to collect arrearages on child support orders under which collections have not been made on arrearages for at least two (2) years;

in each judicial circuit to undertake activities required to be performed under Title IV-D of the federal Social Security Act (42 U.S.C. 651), including establishment of paternity, establishment, enforcement, and modification of child support orders, activities under the Uniform Reciprocal Enforcement of Support Act (IC 31-2-1, before its repeal) or the Uniform Interstate Family Support Act (IC 31-18, or IC 31-1.5 before its repeal), and if the contract is with a prosecuting attorney, prosecutions of welfare fraud.

(c) The hiring of a private attorney or private entity by an agreement or a contract made under this section is not subject to the approval of the attorney general under IC 4-6-5-3. An agreement or

a contract made under this section is not subject to IC 4-13-2-14.3 or IC 5-22.

(d) Subject to section 14.1 of this chapter, a prosecuting attorney with which the bureau contracts under subsection (b):

(1) may contract with a collection agency licensed under IC 25-11 to provide child support enforcement services; and

(2) shall contract with a collection agency licensed under IC 25-11 to collect arrearages on child support orders under which collections have not been made on arrearages for at least two (2) years.

(e) A prosecuting attorney or private attorney entering into an agreement or a contract with the bureau under this section enters into an attorney-client relationship with the state to represent the interests of the state in the effective administration of the plan and not the interests of any other person. An attorney-client relationship is not created with any other person by reason of an agreement or contract with the bureau.

(f) At the time that an application for child support services is made, the applicant must be informed that:

(1) an attorney who provides services for the child support bureau is the attorney for the state and is not providing legal representation to the applicant; and

(2) communications made by the applicant to the attorney and the advice given by the attorney to the applicant are not confidential communications protected by the privilege provided under IC 34-46-3-1.

(g) A prosecuting attorney or private attorney who contracts or agrees under this section to undertake activities required to be performed under Title IV-D is not required to mediate, resolve, or litigate a dispute between the parties relating to:

(1) the amount of parenting time or parenting time credit; or

(2) the assignment of the right to claim a child as a dependent for federal and state tax purposes.

(h) An agreement made under subsection (b) must contain requirements stipulating service levels a prosecuting attorney or private entity is expected to meet. The bureau shall disburse incentive money based on whether a prosecuting attorney or private entity meets service levels stipulated in an agreement made under subsection (b).

As added by P.L.146-2006, SEC.20. Amended by P.L.210-2011, SEC.5; P.L.53-2014, SEC.143.

IC 31-25-4-14
Repealed

(Repealed by P.L.1-2007, SEC.248.)

IC 31-25-4-14.1
Program to contract with collection agency; duties; contract requirements; costs

Sec. 14.1. (a) This section applies after December 31, 2006.

(b) The bureau shall establish a program to allow a prosecuting attorney with which the bureau has contracted under section 13.1 of this chapter to contract with a collection agency licensed under IC 25-11 to provide child support enforcement services.

(c) The bureau shall:

(1) establish a list of approved collection agencies with which a prosecuting attorney may contract under this section;

(2) establish requirements for participation in the program established under this section to assure:

(A) effective administration of the plan; and

(B) compliance with all federal and state statutes, regulations, and rules;

(3) update and review the list described in subdivision (1) and forward a copy of the updated list to each prosecuting attorney annually; and

(4) preapprove or approve all contracts between a collection agency and a prosecuting attorney.

(d) A contract between a prosecuting attorney and a collection agency under this section must include the following provisions:

(1) A provision that records of a contractor operated child support enforcement system are subject to inspection and copying to the same extent the records would be subject to inspection and copying if the contractor were a public agency under IC 5-14-3.

(2) A provision that records that are provided by a contractor to the prosecuting attorney that relate to compliance by the contractor with the terms of the contract are subject to inspection and copying in accordance with IC 5-14-3.

(e) The bureau is not liable for any costs related to a contract entered into under this section that are disallowed for reimbursement by the federal government under the Title IV-D program of the federal Social Security Act.

(f) The bureau shall treat costs incurred by a prosecuting attorney under this section as administrative costs of the prosecuting attorney.

(g) Contracts between a collection agency licensed under IC 25-11 and the bureau or a prosecuting attorney:

(1) must:

(A) be in writing;

(B) include:

(i) all fees, charges, and costs, including administrative and application fees; and

(ii) the right of the bureau or the prosecuting attorney to cancel the contract at any time;

(C) require the collection agency, upon the request of the bureau or the prosecuting attorney, to provide the:

(i) source of each payment received for arrearage on a child support order;

(ii) form of each payment received for arrearage on a child support order;

(iii) amount and percentage that is deducted as a fee or a

charge from each payment of arrearage on a child support order; and

(iv) amount of arrearage owed under a child support order; and

(D) be one (1) year renewable contracts; and

(2) may be negotiable contingency contracts in which a collection agency may not collect a fee that exceeds fifteen percent (15%) of the arrearages collected per case.

(h) A collection agency that contracts with the bureau or a prosecuting attorney under this section may, in addition to the collection of arrearages on a child support order, assess and collect from an obligor all fees, charges, costs, and other expenses as provided under the terms of the contract described in subsection (g).
As added by P.L.146-2006, SEC.22.

IC 31-25-4-15
Court assistants; appointment; agreements for services; standards

Sec. 15. (a) The judge of a court having jurisdiction over actions arising under Title IV-D of the Social Security Act (42 U.S.C. 651) shall, when necessary to satisfy the federal requirement of expedited process for obtaining and enforcing support orders (42 U.S.C. 666(a)(2); 42 CFR 303.101), appoint assistants who meet the standards established by the judicial conference of Indiana under subsection (d), including:

(1) court commissioners;

(2) hearing examiners;

(3) masters; and

(4) referees;

to make findings of fact and recommendations for the judge's approval in actions arising under Title IV-D of the Social Security Act (42 U.S.C. 651 et seq.).

(b) If appointment of a court assistant is required under subsection (a), the bureau shall enter into an agreement with the courts for services associated with cases arising under Title IV-D of the Social Security Act that are performed by:

(1) a court assistant appointed under subsection (a); and

(2) administrative and supportive personnel to the court assistant, including the following:

(A) A bailiff.

(B) A stenographer.

(C) A court reporter.

(c) The agreements entered into under subsection (b) are not subject to approval by the attorney general under IC 4-13-2-14.3.

(d) The judicial conference of Indiana shall establish educational and occupational standards for an individual to be employed as an assistant under subsection (a).
As added by P.L.145-2006, SEC.271.

IC 31-25-4-16
Contracts with nongovernmental providers

Sec. 16. The bureau may contract for services from nongovernmental providers under the guidelines established for all state agency contracts.
As added by P.L.145-2006, SEC.271.

IC 31-25-4-17
Support related duties of bureau

Sec. 17. (a) The bureau shall do the following:

(1) Collect support payments when the payments have been assigned to the state by the application for assistance under Title IV-A.

(2) Assist in obtaining a support order, including an order for health insurance coverage under:

(A) IC 27-8-23; or

(B) IC 31-16-6-4;

when there is no existing order and assistance is sought.

(3) Assist mothers of children born out of wedlock in establishing paternity and obtaining a support order, including an order for health insurance coverage under IC 27-8-23, when the mother has applied for assistance.

(4) Implement immediate income withholding in any Title IV-D case, in accordance with 42 U.S.C. 666(a) and (b), without an order issued by a court or an administrative agency.

(5) Enforce intrastate and interstate support orders using high volume automated enforcement features.

(6) Use a simplified procedure for the review and adjustment of support orders as set forth in 42 U.S.C. 666(a)(10).

(7) In any Title IV-D case, petition:

(A) a court to:

(i) establish paternity for a child born out of wedlock; and

(ii) establish a support order, including an order for health insurance coverage under IC 27-8-23 or IC 31-16-6-4; and

(B) a court to establish or modify a support order, including an order for health insurance coverage under IC 27-8-23, IC 31-14-11-3 (before its repeal), or IC 31-16-6-4, if:

(i) there is no existing support order; or

(ii) the existing order does not include a provision for private health insurance.

(b) Whenever the bureau collects support payments on behalf of an individual who is no longer a member of a household that receives Title IV-A cash payments, the collected support payments (except collections made through a federal tax refund offset) shall be promptly distributed in the following order:

(1) Payment to the recipient of the court ordered support obligation for the month that the support payment is received.

(2) Payment to the recipient of the support payment arrearages that have accrued during any period when the recipient was not a member of a household receiving Title IV-A assistance.

(3) Payment to the state in an amount not to exceed the lesser of:

(A) the total amount of past public assistance paid to the

recipient's family; or

(B) the amount assigned to the state by the recipient under IC 12-14-7-1.

(4) Payment of support payment arrearages owed to the recipient.

(5) Payment of any other support payments payable to the recipient.

(c) Whenever the bureau receives a payment through a federal tax refund offset on behalf of an individual who has received or is receiving Title IV-A assistance, the child support payment shall be distributed as follows:

(1) To the state, an amount not to exceed the lesser of:

(A) the total amount of past public assistance paid to the individual's family; or

(B) the amount assigned to the state by the individual under IC 12-14-7-1.

(2) To the individual, any amounts remaining after the distribution under subdivision (1).

(d) Except as provided in section 19.5 of this chapter, whenever the bureau collects a child support payment from any source on behalf of an individual who has never received Title IV-A assistance, the bureau shall forward all money collected to the individual.

(e) Whenever the bureau receives a child support payment on behalf of an individual who currently receives a Title IV-A cash payment or an individual whose cash payment was recouped, the child support payment shall be distributed as follows:

(1) To the state, an amount not to exceed the lesser of:

(A) the total amount of past public assistance paid to the individual's family; or

(B) the amount assigned to the state by the individual under IC 12-14-7-1.

(2) To the individual, any amounts remaining after the distribution under subdivision (1).

(f) Unless otherwise required by federal law, not more than seventy-five (75) days after a written request by a recipient, the bureau shall provide an accounting report to the recipient that identifies the bureau's claim to a child support payment or arrearage.

(g) The bureau, the department of child services, and the department of state revenue may not charge a custodial parent a fee to seek or receive a payment through a federal tax refund offset as described in subsection (c).

(h) When the payment of support has been assigned to the state by the application of assistance under Title IV-A or Title IV-E, the Title IV-D agency shall:

(1) first provide notice to the obligee and the obligor that the payment of support has been assigned to the state; and

(2) direct the clerk of court or the state central collection unit to forward the child support payment directly to the Title IV-D agency without further notice of the court.

(i) A payment directed to the Title IV-D agency under subsection

(h) shall be disbursed in accordance with federal regulations governing the Title IV-D program.
As added by P.L.145-2006, SEC.271. Amended by P.L.103-2007, SEC.45; P.L.80-2010, SEC.49; P.L.128-2012, SEC.89; P.L.207-2013, SEC.51; P.L.123-2014, SEC.9.

IC 31-25-4-18
Order for genetic testing to establish paternity; income withholding

Sec. 18. (a) Under 42 U.S.C. 666, the bureau has the authority, without a court order, to order genetic testing to establish paternity.

(b) The bureau may not order genetic testing as provided under this section without a request from a local child support attorney where an order for child support is entered.

(c) The bureau shall recognize and enforce the authority of a state agency from another state to take any action as required under 42 U.S.C. 666(c).

(d) The bureau shall notify the appropriate circuit court clerk in any case where an action of the bureau results in income withholding or a change of payee of a child support order in a Title IV-D case.

(e) In accordance with 42 U.S.C. 654B(a)(3), the bureau shall provide a single address to which income withholding payments may be sent.
As added by P.L.145-2006, SEC.271.

IC 31-25-4-19
Services for other than TANF recipients or applicants; application; fees

Sec. 19. All services provided under section 17 of this chapter and IC 31-25-3-2 must be available to individuals (other than recipients or applicants for the federal Temporary Assistance for Needy Families (TANF) program (45 CFR 265)) upon application for the services, as required by 42 U.S.C. 654(6). An application fee as set by the Title IV-D agency must be paid in accordance with the department's rules adopted under IC 4-22-2. Fees other than the application fee must be imposed in accord with federal law governing this program.
As added by P.L.145-2006, SEC.271. Amended by P.L.128-2012, SEC.90.

IC 31-25-4-19.5
Title IV-D agency collection fee

Sec. 19.5. (a) If a Title IV-D agency collects at least five hundred dollars ($500) of child support payments on behalf of an individual who has never received Title IV-A assistance, the Title IV-D agency shall collect a fee in accordance with 42 U.S.C. 654(6). The Title IV-D agency may collect the fee by issuance and implementation of an income withholding order.

(b) The Title IV-D agency shall collect the fee described in subsection (a) from one (1) of the following:

(1) Any amount of child support payments that exceeds five

hundred dollars ($500) collected on behalf of the individual who applied for the services of collecting the child support payments.

(2) The parent who owes the child support obligation being enforced by the Title IV-D agency.

(3) State funds appropriated for the purpose of paying a fee under subsection (a).

As added by P.L.103-2007, SEC.46.

IC 31-25-4-20

Authority to receive federal funds and distribute money collected

Sec. 20. The bureau may receive the federal money available for the administration of Title IV-D of the federal Social Security Act and shall distribute money collected in accordance with federal regulations.

As added by P.L.145-2006, SEC.271.

IC 31-25-4-21

Confidential information; safeguards; necessary disclosures

Sec. 21. (a) The bureau shall observe all possible safeguards for information obtained by the bureau with the minimum standard for the safeguards to be the federal regulations governing the safeguarding of information under this program.

(b) The bureau or the prosecuting attorney may not disclose information obtained through the parent locator service, except to the extent necessary to fulfill a duty under this chapter.

As added by P.L.145-2006, SEC.271.

IC 31-25-4-22

Disclosure of information to consumer reporting agencies; procedures

Sec. 22. The bureau shall establish procedures for providing information to a consumer reporting agency (as defined by the federal Fair Credit Reporting Act (15 U.S.C. 1681a(f))) concerning the amount of overdue support owed by a parent. Information provided under this section must be provided in accordance with federal statutes and regulations governing the Title IV-D program (42 U.S.C. 651).

As added by P.L.145-2006, SEC.271.

IC 31-25-4-23

Title IV-D agency; incentive payments; distribution from county treasury

Sec. 23. (a) Subject to subsection (d), the Title IV-D agency shall provide incentive payments to counties for enforcing and collecting the support rights that have been assigned to the state. The incentive payments shall be made by the Title IV-D agency directly to the county and deposited in the county treasury for distribution on a quarterly basis and in the following manner:

(1) Twenty-two and two-tenths percent (22.2%) of the incentive payments shall be distributed to the Title IV-D incentive fund

established in accordance with section 23.5 of this chapter by each county that receives payments under this subdivision.

(2) Thirty-three and four-tenths percent (33.4%) of the incentive payments shall be distributed to the operating budget of the prosecuting attorney.

(3) Twenty-two and two-tenths percent (22.2%) of the incentive payments shall be distributed to the operating budget of the circuit court clerk.

(b) Notwithstanding IC 36-2-5-2(b), distribution from the county treasury under subsection (a) shall be made without the necessity of first obtaining an appropriation from the county fiscal body.

(c) The amount that a county receives and the terms under which the incentive payment is paid must be in accordance with relevant federal statutes and the federal regulations promulgated under the statutes. However, amounts received as incentive payments may not, without the approval of the county fiscal body, be used to increase or supplement the salary of an elected official. The amounts received as incentive payments must be used to supplement, rather than take the place of, other funds used for Title IV-D program activities.

(d) The Title IV-D agency shall retain twenty-two and two-tenths percent (22.2%) of the incentive payments described in subsection (a).

As added by P.L.145-2006, SEC.271. Amended by P.L.146-2006, SEC.23; P.L.1-2007, SEC.198; P.L.162-2011, SEC.20.

IC 31-25-4-23.5

Title IV-D incentive fund; use of money

Sec. 23.5. (a) Each county that receives payments under section 23(a)(1) of this chapter shall establish a Title IV-D incentive fund.

(b) The incentive payments under section 23(a)(1) of this chapter shall be paid into the fund.

(c) Money in the fund may be used only for child support enforcement purposes.

(d) Money in the fund does not revert to any other fund.

As added by P.L.162-2011, SEC.21.

IC 31-25-4-24

Duties of circuit court clerk; support money; cash payments

Sec. 24. (a) Each circuit court clerk shall do the following:

(1) Before January 1, 2007, receive support money assigned to the state and paid under the terms of a court order in the clerk's jurisdiction and pay the money to the Title IV-D agency within the time limits established by P.L.93-647, as amended, and any related regulations that are promulgated.

(2) Maintain all records concerning the payment or nonpayment of support money that have been assigned to the state and transmit the records to the Title IV-D agency upon request.

(3) Contract with the Title IV-D agency for the performance and the remuneration for the performance of duties prescribed in this section.

(b) Beginning January 1, 2007, for purposes of subsection (a)(1), each circuit court clerk may accept only support money that is paid in cash.
As added by P.L.145-2006, SEC.271. Amended by P.L.146-2006, SEC.24; P.L.1-2007, SEC.199.

IC 31-25-4-25
Amounts distributed from department of child services
Sec. 25. The amounts appropriated for duties performed by prosecuting attorneys, circuit court clerks, or other agents under this chapter shall be distributed directly from the department of child services.
As added by P.L.145-2006, SEC.271. Amended by P.L.146-2006, SEC.25; P.L.1-2007, SEC.200.

IC 31-25-4-26
Appeal right of aggrieved TANF recipient; issue limitation; corrective action on erroneous records
Sec. 26. (a) A recipient of the federal Temporary Assistance for Needy Families (TANF) program (45 CFR 265) who is aggrieved by the action of the Title IV-D agency in paying or not paying money to the recipient out of the support money collected by the agency under an assignment to Indiana may appeal the action to the Title IV-D agency. The appeal may not be used to redetermine eligibility for assistance, but must be limited to the issue as to whether upon the records before the Title IV-D agency proper distribution was made out of the support money collected.
(b) If, as a result of the appeal, the Title IV-D agency has reasonable cause to believe that the records in the agency's possession concerning the appellant are in error, the Title IV-D agency shall notify the agency supplying the records of possible errors and request corrective action.
(c) The appeal hearing must be held in accordance with the rules of the department.
As added by P.L.145-2006, SEC.271.

IC 31-25-4-27
Rules implementing Title IV-D
Sec. 27. The director of the department shall adopt rules necessary to implement Title IV-D of the federal Social Security Act and this chapter. The department shall send a copy of each proposed or adopted rule to the interim public health, behavioral health, and human services established by IC 2-5-1.3-4 not later than ten (10) days after proposal or adoption.
As added by P.L.145-2006, SEC.271. Amended by P.L.53-2014, SEC.144.

IC 31-25-4-28
Appropriation
Sec. 28. A sufficient amount must be appropriated annually out of

the state general fund for the administration of this chapter.
As added by P.L.145-2006, SEC.271.

IC 31-25-4-29
Child support enforcement revolving funds

Sec. 29. (a) The bureau may, with the consent of the budget agency, establish child support enforcement revolving funds for the deposit of a part of the child support money collected by the bureau under this chapter.

(b) The amount of money to be deposited in a revolving fund established under this section shall be determined by the budget director. The budget agency shall annually review each revolving fund for the purpose of determining whether the fund's current level is adequate for the purpose of making disbursements described in subsection (c) and shall report to the budget director recommendations regarding changes in the amount of the fund. The budget director may authorize an increase or a decrease in the fund.

(c) Disbursements from a revolving fund established under this section may be made only to the bureau as follows:

(1) For payment of expenses incurred by the division in the collection of child support under this chapter.

(2) To enable the bureau to participate in child support collection projects offered by other units of government or the private sector.

(d) The bureau shall do the following:

(1) Request the budget agency to allocate, as needed, money from the revolving fund for the purposes described in subsection (c).

(2) Keep complete financial records of all transactions.

(3) Prepare, before the beginning of each fiscal year, an annual budget of proposed expenditures from the revolving funds.

(e) The bureau shall submit an annual budget to the budget agency for approval under subsection (d), and an expenditure in excess of the approved budget may not be made without the approval of the budget agency.

(f) Money in a revolving fund established under this section does not revert to any other fund at the end of a state fiscal year.

(g) The treasurer of state may invest the money in a revolving fund established under this section in the manner provided by law for investing money in the state general fund.
As added by P.L.145-2006, SEC.271.

IC 31-25-4-30
Child support obligation lien list; motor vehicle liens

Sec. 30. (a) The bureau shall, each month, prepare a list of each person against whom a child support obligation lien is held under IC 31-16-16-3 (or IC 31-2-11-9 before its repeal). The list must identify each person liable for a lien by name, address, amount of lien, and either Social Security number or employer identification number. The bureau shall certify a copy of the list to the bureau of

motor vehicles.

(b) The bureau of motor vehicles shall, before issuing the title to a motor vehicle under IC 9-17, determine whether the purchaser's or assignee's name is on the most recent monthly lien list. If the purchaser's or assignee's name is on the list, the bureau shall enter as a lien on the title the name of the state as the lienholder. The state's lien on a title under this section is subordinate to a prior perfected security interest if the interest is defined and perfected under any of the following:

(1) IC 26-1-9.1.
(2) IC 32-8 (before its repeal).
(3) IC 32-28.
(4) IC 32-29.
(5) IC 32-33.
(6) IC 32-34-10.

(c) A lien against the title under this section must be treated in the same manner as any other subordinate title lien.

(d) The bureau shall prescribe and furnish release forms for use by the bureau. When the amount of the lien is paid, the bureau shall issue to the person against whom the lien was held a release stating that the amount represented by the lien has been paid. The bureau may also issue a release to a person against whom the lien is held if the person has made arrangements, agreed to by the bureau, for the payment of the amount represented by the lien.

(e) The director of the bureau or the director's designee is the custodian of all titles having the state as the sole lienholder under this section. Upon receiving a title from the bureau of motor vehicles under this section, the director shall notify the owner of the motor vehicle.

(f) The bureau shall reimburse the bureau of motor vehicles for all costs incurred by the bureau in implementing this section.

As added by P.L.145-2006, SEC.271.

IC 31-25-4-31

Data match system with financial institutions to block account with child support lien

Sec. 31. (a) The bureau shall operate a data match system with each financial institution doing business in Indiana.

(b) Each financial institution doing business in Indiana shall provide information to the bureau on all noncustodial parents who:

(1) hold one (1) or more accounts with the financial institution; and
(2) are delinquent.

(c) In order to provide the information required under subsection (b), a financial institution shall either:

(1) identify noncustodial parents by comparing records maintained by the financial institution with records provided by the bureau by:
    (A) name; and
    (B) either Social Security number or tax identification

number; or

(2) submit to the bureau a report, in a form satisfactory to the bureau, that includes the Social Security number or tax identification number of each individual maintaining an account at the financial institution. The reports submitted under this subdivision must be accessible to:

(A) the department of state revenue established by IC 6-8.1-2-1 or its agents for use only in tax judgment and levy administration described in IC 6-8.1-8-8.7(b)(2); or

(B) the department of workforce development established by IC 22-4.1-2-1 or its agents for use only in the collection of unpaid final assessments described in IC 22-4-29-14(b)(2).

(d) The information required under subsection (b) must:

(1) be provided on a quarterly basis; and

(2) include the:

(A) name;

(B) address of record; and

(C) either the Social Security number or tax identification number;

of an individual identified under subsection (b).

(e) When the bureau has determined that the information required under subsection (d)(2) is identical for an individual who holds an account with a financial institution and an individual whose name appears on the quarterly list prepared by the bureau under section 30 of this chapter, the bureau shall provide a notice of the match if action is to be initiated to block or encumber the account by establishing a lien for child support payment to the:

(1) individual; and

(2) financial institution holding the account.

(f) The notice under section (e) must inform the individual that:

(1) the individual's account in a financial institution is subject to a child support lien; and

(2) the individual may file an appeal with the bureau within twenty (20) days after the date the notice was issued.

(g) The bureau shall hold a hearing under 465 IAC 3-3. The department's final action following a hearing held under this subsection is subject to judicial review as provided in 465 IAC 3-3.

(h) The state's lien on assets under this section is subordinate to any prior lien perfected by:

(1) a financial institution; or

(2) another legitimate lien holder.

(i) A lien issued under this section remains in effect until the earliest of:

(1) one hundred twenty (120) days after issuance;

(2) the date the asset on which the lien is issued is surrendered; or

(3) the date the lien is released by an action of the bureau.

(j) This section does not preclude a financial institution from exercising its right to:

(1) charge back or recoup a deposit to an account; or

(2) set off from an account held by the financial institution in which the noncustodial parent has an interest in any debts owed to the financial institution that existed before:

(A) the state's lien; and

(B) notification to the financial institution of the child support delinquency.

(k) A financial institution ordered to block or encumber an account under this section is entitled to collect its normally scheduled account activity fees to maintain the account during the period the account is blocked or encumbered.

(l) All information provided by a financial institution under this section is confidential and is available only to the bureau or its agents for use only in child support enforcement activities.

(m) A financial institution providing information required under this section is not liable for:

(1) disclosing the required information to the bureau, the department of state revenue established by IC 6-8.1-2-1, or the department of workforce development established by IC 22-4.1-2-1;

(2) blocking or surrendering any of an individual's assets in response to a lien imposed by:

(A) the bureau under this section; or

(B) a person or entity acting on behalf of the bureau; or

(3) any other action taken in good faith to comply with this section.

(n) The department shall pay a financial institution performing the data match required by this section a reasonable fee for providing the service that does not exceed the actual cost incurred by the financial institution.

(o) This section does not prevent the bureau or its agents from encumbering an obligor's account with a financial institution by any other remedy available for the enforcement of a child support order. *As added by P.L.145-2006, SEC.271. Amended by P.L.103-2007, SEC.47; P.L.138-2008, SEC.7; P.L.123-2014, SEC.10.*

IC 31-25-4-32

Finding obligor delinquent; notice; order to suspend driving privileges; licenses and permits; sanctions

Sec. 32. (a) When the Title IV-D agency finds that an obligor is delinquent, the Title IV-D agency shall send, to a verified address, a notice to the obligor that does the following:

(1) Specifies that the obligor is delinquent.

(2) Describes the amount of child support that the obligor is in arrears.

(3) States that unless the obligor:

(A) pays the obligor's child support arrearage in full;

(B) establishes a payment plan with the Title IV-D agency to pay the arrearage, which includes an income withholding order; or

(C) requests a hearing under section 33 of this chapter;

within twenty (20) days after the date the notice is mailed, the Title IV-D agency shall issue an order to the bureau of motor vehicles stating that the obligor is delinquent and that the obligor's driving privileges shall be suspended.

(4) Explains that the obligor has twenty (20) days after the notice is mailed to do one (1) of the following:

(A) Pay the obligor's child support arrearage in full.

(B) Establish a payment plan with the Title IV-D agency to pay the arrearage, which includes an income withholding order under IC 31-16-15-2 or IC 31-16-15-2.5.

(C) Request a hearing under section 33 of this chapter.

(5) Explains that if the obligor has not satisfied any of the requirements of subdivision (4) within twenty (20) days after the notice is mailed, that the Title IV-D agency shall issue a notice to:

(A) the board or department that regulates the obligor's profession or occupation, if any, that the obligor is delinquent and that the obligor may be subject to sanctions under IC 25-1-1.2, including suspension or revocation of the obligor's professional or occupational license;

(B) the supreme court disciplinary commission if the obligor is licensed to practice law;

(C) the department of education established by IC 20-19-3-1 if the obligor is a licensed teacher;

(D) the Indiana horse racing commission if the obligor holds or applies for a license issued under IC 4-31-6;

(E) the Indiana gaming commission if the obligor holds or applies for a license issued under IC 4-33 and IC 4-35;

(F) the commissioner of the department of insurance if the obligor holds or is an applicant for a license issued under IC 27-1-15.6, IC 27-1-15.8, or IC 27-10-3;

(G) the director of the department of natural resources if the obligor holds or is an applicant for a license issued by the department of natural resources under:

(i) IC 14-22-12 (fishing, hunting, and trapping licenses);

(ii) IC 14-22-14 (Lake Michigan commercial fishing license);

(iii) IC 14-22-16 (bait dealer's license);

(iv) IC 14-22-17 (mussel license);

(v) IC 14-22-19 (fur buyer's license);

(vi) IC 14-24-7 (nursery dealer's license); or

(vii) IC 14-31-3 (ginseng dealer's license); or

(H) the alcohol and tobacco commission if the obligor holds or applies for an employee's permit under IC 7.1-3-18-9(a)(3).

(6) Explains that the only basis for contesting the issuance of an order under subdivision (3) or (5) is a mistake of fact.

(7) Explains that an obligor may contest the Title IV-D agency's determination to issue an order under subdivision (3) or (5) by making written application to the Title IV-D agency within

twenty (20) days after the date the notice is mailed.

(8) Explains the procedures to:

(A) pay the obligor's child support arrearage in full; and

(B) establish a payment plan with the Title IV-D agency to pay the arrearage, which must include an income withholding order under IC 31-16-15-2 or IC 31-16-15-2.5.

(b) Whenever the Title IV-D agency finds that an obligor is delinquent and has failed to:

(1) pay the obligor's child support arrearage in full;

(2) establish a payment plan with the Title IV-D agency to pay the arrearage, which includes an income withholding order under IC 31-16-15-2 or IC 31-16-15-2.5; or

(3) request a hearing under section 33 of this chapter within twenty (20) days after the date the notice described in subsection (a) is mailed;

the Title IV-D agency shall issue an order to the bureau of motor vehicles stating that the obligor is delinquent.

(c) An order issued under subsection (b) must require the following:

(1) If the obligor who is the subject of the order holds a driving license or permit on the date the order is issued, that the driving privileges of the obligor be suspended until further order of the Title IV-D agency.

(2) If the obligor who is the subject of the order does not hold a driving license or permit on the date the order is issued, that the bureau of motor vehicles may not issue a driving license or permit to the obligor until the bureau of motor vehicles receives a further order from the Title IV-D agency.

(d) The Title IV-D agency shall provide the:

(1) full name;

(2) date of birth;

(3) verified address; and

(4) Social Security number or driving license number;

of the obligor to the bureau of motor vehicles.

(e) Whenever the Title IV-D agency finds that an obligor who is an applicant (as defined in IC 25-1-1.2-1) or a practitioner (as defined in IC 25-1-1.2-6) is delinquent and the applicant or practitioner has failed to:

(1) pay the obligor's child support arrearage in full;

(2) establish a payment plan with the Title IV-D agency to pay the arrearage, which includes an income withholding order under IC 31-16-15-2 or IC 31-16-15-2.5; or

(3) request a hearing under section 33 of this chapter;

the Title IV-D agency shall issue an order to the board regulating the practice of the obligor's profession or occupation stating that the obligor is delinquent.

(f) An order issued under subsection (e) must direct the board or department regulating the obligor's profession or occupation to impose the appropriate sanctions described under IC 25-1-1.2.

(g) Whenever the Title IV-D agency finds that an obligor who is

an attorney or a licensed teacher is delinquent and the attorney or licensed teacher has failed to:

(1) pay the obligor's child support arrearage in full;

(2) establish a payment plan with the Title IV-D agency to pay the arrearage, which includes an income withholding order under IC 31-16-15-2 or IC 31-16-15-2.5; or

(3) request a hearing under section 33 of this chapter;

the Title IV-D agency shall notify the supreme court disciplinary commission if the obligor is an attorney, or the department of education if the obligor is a licensed teacher, that the obligor is delinquent.

(h) Whenever the Title IV-D agency finds that an obligor who holds a license issued under IC 4-31-6, IC 4-33, or IC 4-35 has failed to:

(1) pay the obligor's child support arrearage in full;

(2) establish a payment plan with the Title IV-D agency to pay the arrearage, which includes an income withholding order under IC 31-16-15-2 or IC 31-16-15-2.5; or

(3) request a hearing under section 33 of this chapter;

the Title IV-D agency shall issue an order to the Indiana horse racing commission if the obligor holds a license issued under IC 4-31-6, or to the Indiana gaming commission if the obligor holds a license issued under IC 4-33 or IC 4-35, stating that the obligor is delinquent and directing the commission to impose the appropriate sanctions described in IC 4-31-6-11, IC 4-33-8.5-3, or IC 4-35-6.7-2.

(i) Whenever the Title IV-D agency finds that an obligor who holds a license issued under IC 27-1-15.6, IC 27-1-15.8, or IC 27-10-3 has failed to:

(1) pay the obligor's child support arrearage in full;

(2) establish a payment plan with the Title IV-D agency to pay the arrearage, which includes an income withholding order under IC 31-16-15-2 or IC 31-16-15-2.5; or

(3) request a hearing under section 33 of this chapter;

the Title IV-D agency shall issue an order to the commissioner of the department of insurance stating that the obligor is delinquent and directing the commissioner to impose the appropriate sanctions described in IC 27-1-15.6-29 or IC 27-10-3-20.

(j) Whenever the Title IV-D agency finds that an obligor who holds a license issued by the department of natural resources under IC 14-22-12, IC 14-22-14, IC 14-22-16, IC 14-22-17, IC 14-22-19, IC 14-24-7, or IC 14-31-3 has failed to:

(1) pay the obligor's child support arrearage in full;

(2) establish a payment plan with the Title IV-D agency to pay the arrearage, which includes an income withholding order under IC 31-16-15-2 or IC 31-16-15-2.5; or

(3) request a hearing under section 33 of this chapter;

the Title IV-D agency shall issue an order to the director of the department of natural resources stating that the obligor is delinquent and directing the director to suspend or revoke a license issued to the obligor by the department of natural resources as provided in

IC 14-11-3.

(k) If the Title IV-D agency finds that an obligor who holds an employee's permit issued under IC 7.1-3-18-9(a)(3) has failed to:

(1) pay the obligor's child support arrearage in full;

(2) establish a payment plan with the Title IV-D agency to pay the arrearage, which includes an income withholding order under IC 31-16-15-2 or IC 31-16-15-2.5; or

(3) request a hearing under section 33 of this chapter;

the Title IV-D agency shall issue an order to the alcohol and tobacco commission stating that the obligor is delinquent and directing the alcohol and tobacco commission to impose the appropriate sanctions under IC 7.1-3-23-44.

(l) A person's most recent address on file with the bureau constitutes a verified address for purposes of this section.

As added by P.L.145-2006, SEC.271. Amended by P.L.103-2007, SEC.48; P.L.131-2009, SEC.34; P.L.80-2010, SEC.50.

IC 31-25-4-33

Objections to order; hearing; issuance of restricted license

Sec. 33. (a) An obligor may contest the Title IV-D agency's determination to issue an order under section 32 of this chapter by making a written application to the Title IV-D agency within twenty (20) days after the date the notice is mailed to the obligor.

(b) The only basis for contesting an order issued under this section is a mistake of fact.

(c) The Title IV-D agency shall hold a hearing, within twenty-five (25) days after written application is made under subsection (a), to review its determination to issue an order under section 32 of this chapter. The Title IV-D agency shall make a determination in writing on the issuance of an order under section 32 of this chapter at the hearing.

(d) At the hearing described in subsection (c), if the obligor whose driving license or permit is suspended under this chapter proves to the satisfaction of the Title IV-D agency that public transportation is unavailable for travel by the obligor:

(1) to and from the obligor's regular place of employment;

(2) in the course of the obligor's regular employment;

(3) to and from the obligor's place of worship; or

(4) to participate in parenting time with the obligor's children consistent with a court order granting parenting time;

the Title IV-D agency may order the bureau of motor vehicles to issue the obligor a restricted driving permit.

(e) If the obligor requests a hearing but fails to appear or if the obligor appears and is found to be delinquent, the Title IV-D agency shall issue an order to the bureau of motor vehicles stating that the obligor is delinquent.

(f) An order issued under subsection (e) must require the following:

(1) If the obligor who is the subject of the order holds a driving license or permit on the date the order is issued, that the

obligor's driving privileges be suspended under further order of the Title IV-D agency.

(2) If the obligor who is the subject of the order does not hold a driving license or permit on the date the order is issued, that the bureau of motor vehicles may not issue a driving license or permit to the obligor until the bureau of motor vehicles receives a further order from the Title IV-D agency.

(g) A restricted driving permit issued by the bureau of motor vehicles under this section must specify that the restricted driving permit is valid only for purposes of driving under the conditions described in subsection (d).

(h) Unless a person whose driving license or permit is suspended under this chapter has been issued a restricted driving permit under this section as a result of a suspension under this chapter, a person who operates a motor vehicle in violation of this section commits a Class A infraction.

As added by P.L.145-2006, SEC.271.

IC 31-25-4-34

Duty of Title IV-D agency after finding of delinquency

Sec. 34. (a) As used in this section, "board" has the meaning set forth in IC 25-1-1.2-2.

(b) If an obligor holds a license issued by a board and requests a hearing under section 33 of this chapter but fails to appear or appears and is found to be delinquent, the Title IV-D agency shall issue an order to the board that issued the obligor's license:

(1) stating that the obligor is delinquent; and

(2) requiring the board to comply with the actions required under IC 25-1-1.2-8(b).

(c) If an obligor holds a license issued under IC 4-31-6, IC 4-33, or IC 4-35 and requests a hearing under section 33 of this chapter but fails to appear or appears and is found to be delinquent, the Title IV-D agency shall issue an order to the:

(1) Indiana horse racing commission, if the obligor holds a license issued under IC 4-31-6; or

(2) Indiana gaming commission, if the obligor holds a license issued under IC 4-33 or IC 4-35;

stating that the obligor is delinquent and requiring the commission to comply with the actions required under IC 4-31-6-11, IC 4-33-8.5-3, or IC 4-35-6.7-2.

(d) If an obligor holds a license issued under IC 27-1-15.6, IC 27-1-15.8, or IC 27-10-3 and requests a hearing under section 33 of this chapter but fails to appear or appears and is found to be delinquent, the Title IV-D agency shall issue an order to the commissioner of the department of insurance:

(1) stating that the obligor is delinquent; and

(2) requiring the commissioner to comply with the actions required under IC 27-1-15.6-29 or IC 27-10-3-20.

(e) If an obligor holds a license issued by the department of natural resources under IC 14-22-12, IC 14-22-14, IC 14-22-16,

IC 14-22-17, IC 14-22-19, IC 14-24-7, or IC 14-31-3 and requests a hearing under section 33 of this chapter but fails to appear, or appears and is found to be delinquent, the Title IV-D agency shall issue an order to the director of the department of natural resources:

(1) stating that the obligor is delinquent; and

(2) requiring the director to suspend or revoke a license issued by the department as provided in IC 14-11-3.

(f) If an obligor:

(1) holds an employee's permit issued under IC 7.1-3-18-9(a)(3); and

(2) requests a hearing under section 33 of this chapter but fails to appear or appears and is found to be delinquent;

the Title IV-D agency shall issue an order to the alcohol and tobacco commission stating that the obligor is delinquent and requiring the commission to impose the appropriate sanctions under IC 7.1-3-23-44.

As added by P.L.145-2006, SEC.271. Amended by P.L.80-2010, SEC.51.