

ASSEMBLY, No. 3517

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED FEBRUARY 5, 2024

Sponsored by:

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District 29 (Essex and Hudson)

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District 14 (Mercer and Middlesex)

Assemblywoman SHAMA A. HAIDER

District 37 (Bergen)

SYNOPSIS

“Equitable Outcomes in Child Support Collection Act”; establishes procedures regarding collection of child support on behalf of children in custody of DCPD.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/2/2024)

1 AN ACT concerning the liability for maintenance costs of children
2 in the care or custody of the Division of Child Protection and
3 Permanency and amending and supplementing P.L.1962, c. 142.

4
5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*

7
8 1. (New section) This act shall be known and may be cited as
9 the “Equitable Outcomes in Child Support Collection Act.”

10
11 2. (New section) The Legislature finds and declares that:

12 a. Current law requires the State to hold a person who is legally
13 responsible for a child to be financially liable for the full cost of the
14 maintenance of the child while the child is in the care and custody of
15 the Division of Child Protection and Permanency in the Department
16 of Children and Families.

17 b. Such liabilities, if encumbered, may result in liens against
18 property, the imposition of court-ordered fines, fees, costs, or other
19 monetary penalties.

20 c. As of December 2023, there were a total of 3,176 open
21 Department of Children and Families resource family care child
22 support cases, 2,464 of those were arrears only cases where the case
23 was closed but the legally responsible person still owed child
24 support.

25 d. The total amount of arrears owed to the Department of
26 Children and Families has grown by over 50 percent between 2017
27 and 2022, due in part to the cost incurred by the State in pursuing
28 such collections and the difficulties faced by families in satisfying
29 judgments.

30 e. With approximately 90 percent of parents involved with the
31 Division of Child Protection and Permanency considered indigent,
32 it is well established that this policy of child support collection has
33 negative impacts on families and possibly delays reunification of
34 children in out-of-home placements.

35 f. In 2022, the Children’s Bureau, an office of the federal
36 Administration for Children and Families, issued a revised policy
37 allowing and encouraging state Title IV-E agencies, such as the
38 State’s Department of Children and Families, to define more
39 narrowly where it is appropriate to seek child support from legally
40 responsible persons given the nationwide impacts to vulnerable
41 families and low yields in collection.

42 g. Current law poses a barrier to the State’s efforts to advance
43 the revised policy and reduce the negative impact the collection of
44 child support and subsequent arrears has on legally responsible
45 persons. Ending this policy and waiving arrears will support

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 families under the care and custody of the Division of Child
2 Protection and Permanency and help reduce racial inequity and
3 wealth gaps within the State.

4 h. Data and research show that the resources states expend on
5 efforts to collect child support from legally responsible persons, as
6 reimbursement for their children's maintenance costs, exceeds the
7 amount of child support that states collect.

8 i. If the revised policy is implemented, the State is unlikely to
9 incur negative financial impacts by stopping the collection of
10 unpaid, outstanding child support arrearages because of the expense
11 to the State in pursuing collection activities, the resulting low
12 percentage of collections, and the ability to seek federal
13 reimbursement for the cost of maintenance of children in resource
14 family care.

15 j. By reducing the rates of family separation and increasing the
16 number of kinship placements and family reunifications, the
17 enactment of this legislation will allow the State and DCPD to
18 continue to support parents and remove barriers to reunifying
19 families as quickly and safely as possible.

20
21 3. Section 1 of P.L.1962, c.142 (C.30:4C-29.1) is amended to
22 read as follows:

23 1. a. **【In any case in which the Department of Children and**
24 **Families, through the Division of Child Protection and Permanency,**
25 **is providing care or custody for any child when the child is in a**
26 **resource family home, any legally responsible person of the child, if**
27 **of sufficient financial ability, is liable for the full costs of**
28 **maintenance of the child incurred by the division. If the legally**
29 **responsible person is of insufficient financial ability, the person is**
30 **liable in an amount which a court of competent jurisdiction directs**
31 **according to a scheduled rate approved by the division. Nothing**
32 **contained herein shall prevent the legally responsible person from**
33 **voluntarily executing an agreement for payment to the division for**
34 **the costs of maintenance of the child receiving care or custody**
35 **when the child is in a resource family home.】** (Deleted by
36 amendment, P.L. , c. (pending before the Legislature as this
37 bill))

38 b. **【The division shall have a lien against the property of the**
39 **legally responsible person in an amount equal to the amount to be**
40 **paid, which lien shall have priority over all unrecorded**
41 **encumbrances.】** (Deleted by amendment, P.L. , c. (pending
42 before the Legislature as this bill))

43 c. **【If the legally responsible person fails to reimburse the**
44 **department, through the division, for the costs of maintenance of a**
45 **child incurred by the division when the child is in a resource family**
46 **home, a court of competent jurisdiction, upon the complaint of the**
47 **Commissioner of Children and Families, may summon the legally**
48 **responsible person and other witnesses, and may order the legally**

1 responsible person to pay an amount to the department, according to
2 a scheduled rate approved by the division.】 (Deleted by
3 amendment, P.L. , c. (pending before the Legislature as this
4 bill))

5 d. In any case in which the **【department】** Department of
6 Children and Families, through the **【division】** Division of Child
7 Protection and Permanency, has agreed to provide youth facilities
8 aid to a public, private, or voluntary agency pursuant to P.L.1962,
9 c.142 (C.30:4C-29.1 et seq.), the division shall have a lien against
10 the property of any person, persons, or agency so contracting, in an
11 amount equal to the amount or amounts so contracted to be paid,
12 which lien shall have priority over all unrecorded encumbrances.
13 The lien shall be reduced for each year of service provided by the
14 agency at a rate to be negotiated by the division and the agency, but
15 in no case more than 20**【%】** percent a year; provided, however, that
16 annual reductions shall not exceed \$10,000.

17 e. Any current child support obligation or any unpaid outstanding
18 arrears balance of a court-ordered child support obligation owed to
19 the division, on or before the effective date of P.L. , c. (C.)
20 (pending before the Legislature as this bill), as reimbursement for
21 maintenance costs incurred while a child was in the care or custody
22 of the division shall be unenforceable and uncollectable, and any
23 portion of a judgment that imposes fees shall be vacated.

24 f. All unsatisfied civil judgments, on or before the effective date
25 of P.L. , c. (C.) (pending before the Legislature as this bill),
26 based on a court-ordered child support obligation to reimburse the
27 division for maintenance costs incurred while a child was in the
28 care or custody of the division are deemed to be null and void and
29 shall be vacated and discharged.

30 g. All warrants issued, on or before the effective date of P.L. ,
31 c. (C.) (pending before the Legislature as this bill), solely based
32 on the alleged failure to pay or to appear on a court date set for the
33 sole purpose of enforcing the obligation owed to the division,
34 including the payment of statutory or court-ordered fines, fees,
35 costs, or other monetary penalties previously assessed or imposed
36 for failure to reimburse the division for the costs of maintenance of
37 the child incurred by the division while a child was in the care or
38 custody of the division shall be reviewed and vacated consistent
39 with the provisions of P.L. , c. (C.) (pending before the
40 Legislature as this bill).

41 h. Any outstanding liens entered on any and all property to
42 which the defendant shall have or acquire an interest, in accordance
43 with the provisions of subsection e. of section 1 of P.L. 1962, c.
44 142, (30:4C-29.1) and in effect immediately prior to the effective
45 date of P.L. , c. (pending before the Legislature as this bill), are
46 deemed to be null and void and shall be vacated and discharged.

47 (cf: P.L.2012, c. 16, s.93)

1 4. This act shall take effect immediately.

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STATEMENT

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6 This bill is to be known as the “Equitable Outcomes in Child
7 Support Collection Act.” The bill amends section 1 of P.L.1962,
8 c.142 (C.30:4C-29.1) to remove provisions in the statutes that
9 outline how the Department of Children and Families currently
10 collects child support obligations from legally responsible persons
11 to offset the costs of maintenance, incurred by the Division of Child
12 Protection and Permanency (DCPP), on behalf of children in the
13 DCPP’s care or custody, and establishes new procedures for such
14 collection.

15 Specifically, as amended, the bill stipulates that any current child
16 support obligation or any unpaid outstanding arrears balance of a
17 court-ordered child support obligation, all unsatisfied civil
18 judgments based on a court-ordered child support obligation, all
19 warrants issued solely based on the alleged failure to pay or the sole
20 purpose of enforcing a child support obligation, or any current
21 outstanding liens entered on any and all property to which the
22 defendant has or has acquired an interest, which is owed to
23 reimburse the DCPP for maintenance costs incurred while a child
24 was in its care or custody, are deemed null and void and are to be
25 vacated and discharged.

26 This bill updates the State’s statutes concerning the liability for
27 maintenance costs of children in the care or custody of the DCPP to
28 align with revised policies issued in 2022 by the Children’s Bureau,
29 an office of the federal Administration for Children and Families,
30 allowing for Title IV-E agencies to define more narrowly when it is
31 appropriate to seek child support from legally responsible persons.