

ASSEMBLY, No. 2676

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED FEBRUARY 13, 2020

Sponsored by:

Assemblywoman VALERIE VAINIERI HUTTLE

District 37 (Bergen)

SYNOPSIS

Directs portion of Unclaimed Child Support Trust Fund be used to balance certain unpaid receivables of State agency responsible for disbursement of child support.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning abandoned child support payments and
2 amending R.S.46:30B-74.

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

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7 1. R.S.46:30B-74 is amended to read as follows:

8 46:30B-74. The administrator shall establish and manage four
9 separate trust funds to be known as the Unclaimed County Deposits
10 Trust Fund, the Unclaimed Child Support Trust Fund, the
11 Unclaimed Utility Deposits Trust Fund and the Unclaimed Personal
12 Property Trust Fund.

13 a. All moneys received as unclaimed county deposits and the
14 accretions thereon shall be deposited into the Unclaimed County
15 Deposits Trust Fund. Each year, unless the administrator deems it
16 prudent and advisable to do otherwise, the administrator shall pay
17 to each county, within 45 days of the receipt of such funds, 75% of
18 the unclaimed county deposits received from that county by the
19 administrator. The remaining portion shall be retained in the trust
20 fund, administered and invested by the State Treasurer, and used to
21 pay claims duly presented and allowed and all expenses and costs
22 incurred by the State of New Jersey. If the Unclaimed County
23 Deposits Trust Fund is insufficient to pay specific claims against a
24 county, the administrator shall report the fact to the county
25 governing body and the unpaid claim shall become an affirmative
26 obligation of that county.

27 Upon the effective date of this act, any county deposits paid to
28 the administrator between April 18, 1989 and the effective date of
29 this act shall be transferred from the Unclaimed Personal Property
30 Trust Fund to the Unclaimed County Deposits Trust Fund.

31 b. All moneys received in unclaimed property deposits from
32 electric and gas utilities shall be deposited into the Unclaimed
33 Utility Deposits Trust Fund. Each year, unless the administrator
34 deems it prudent and advisable to do otherwise, the administrator
35 shall pay to the New Jersey Statewide Heating Assistance and
36 Referral for Energy Services (SHARES) nonprofit corporation, or
37 to another Statewide nonprofit energy assistance organization
38 designated by the Board of Public Utilities within 45 days of the
39 receipt of such funds, 75% of the unclaimed utility deposits
40 received from each of the electric and gas utilities by the
41 administrator. Such payments received from the administrator shall
42 be used exclusively for the payment of expenses associated with the
43 restoration of electric or gas service, or to prevent the termination
44 of electric or gas service provided to utility ratepayers seeking
45 assistance from New Jersey SHARES, or an equivalent nonprofit

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 energy assistance organization designated by the Board of Public
2 Utilities. The remaining portion shall be retained in the trust fund,
3 administered and invested by the State Treasurer, and used to pay
4 claims duly presented and allowed and all expenses and costs
5 incurred by the State of New Jersey.

6 Upon the effective date of P.L.2000, c.132 (C.48:2-29.38 et al.),
7 any unclaimed deposits held by electric and gas utilities paid to the
8 administrator between July 1, 1998 and the effective date of this act
9 shall be transferred from the Unclaimed Personal Property Trust
10 Fund to the Unclaimed Utility Deposits Trust Fund.

11 c. All other moneys received as unclaimed property presumed
12 abandoned, the accretions thereon, and the proceeds of sale of
13 unclaimed property shall be deposited into the Unclaimed Personal
14 Property Trust Fund. Unless the administrator deems it prudent and
15 advisable to do otherwise, 75% of all funds received shall be
16 transferred to the General State Fund. The remaining portion shall
17 be retained in the trust fund, administered and invested by the State
18 Treasurer, and used to pay claims duly presented and allowed and
19 all expenses and costs incurred by the State of New Jersey.

20 Upon the effective date of this act, all funds and assets of the
21 trust funds established pursuant to N.J.S.2A:37-41, section 8 of
22 P.L.1945, c.199 (C.17:9-25), and N.J.S.17B:31-7, shall be
23 transferred to and become part of the Unclaimed Personal Property
24 Trust Fund established by this act, which shall be responsible for
25 payment of any allowed claims for restitution of unclaimed property
26 paid into those three funds.

27 d. All moneys received as abandoned child support and the
28 accretions thereon shall be deposited in the Unclaimed Child
29 Support Trust Fund. Each year, the administrator shall pay to the
30 【judiciary】 State agency responsible for child support
31 disbursements, within 45 days of the receipt of such funds, the
32 federal government's Title IV-D share of the abandoned child
33 support 【received from the Probation Division of the Superior
34 Court】. In addition, the administrator shall pay from the State's
35 share of abandoned child support to the State agency responsible for
36 child support disbursements, an amount, which shall not exceed
37 75% of the Unclaimed Child Support Trust Fund's balance in any
38 fiscal year, as certified by the responsible agency, that is needed to
39 balance unpaid receivables for that agency resulting from federal
40 income tax refund offset reversals concerning child support
41 delinquencies and the child support disbursement process for which
42 the full recovery of child support debts has been unsuccessful. The
43 remaining portions shall be retained in the trust fund, administered
44 and invested by the State Treasurer, and used to pay claims duly
45 presented and allowed and all expenses and costs incurred by the
46 State of New Jersey. If the Unclaimed Child Support Trust Fund is

1 insufficient to pay specific claims **【against a county】**, the
2 administrator shall report the fact to the **【judiciary】** State agency
3 responsible for child support disbursements and the unpaid claim
4 shall become an affirmative obligation of **【the judiciary】** that
5 agency.

6 Upon the effective date of P.L.1995, c.115, any abandoned child
7 support paid to the administrator between April 18, 1989 and that
8 effective date shall be transferred from the Unclaimed Personal
9 Property Trust Fund to the Unclaimed Child Support Trust Fund.

10 e. As used in this section:

11 (1) "County deposits" means the proceeds of a judgment
12 received in favor of a minor and placed under the control of a
13 county surrogate or any devise or distribution from an estate paid
14 into the county surrogate's court prior to April 14, 1989; any
15 unclaimed bail and any interest thereon deposited prior to January
16 1, 1995 and 50% of any unclaimed bail and any interest thereon
17 deposited after January 1, 1995;

18 (2) "Abandoned child support" means any payments for the
19 support of a child or a child and the custodial parent paid to the
20 **【Probation Division of the Superior Court】** State agency
21 responsible for child support disbursements pursuant to a court
22 order that could not be distributed to the payee or returned to the
23 payor within one year of its receipt;

24 (3) "Title IV-D" means **【Part】** part D, "Child Support and
25 Establishment of Paternity," of **【subchapter】** title IV of the Social
26 Security Act (42 U.S.C. §.651 et seq.) under which states receive
27 partial federal reimbursement of their administrative expenses for
28 establishing paternity and collecting child support;

29 (4) "Unclaimed property deposits from electric and gas utilities"
30 means any unclaimed deposits held by electric and gas utilities in
31 accordance with the requirements of R.S.46:30B-29 and any
32 unclaimed stock and dividends of electric and gas utilities in
33 accordance with the requirements of R.S.46:30B-31 and any
34 unclaimed wages of electric and gas utilities in accordance with the
35 requirements of R.S.46:30B-44 and any other unclaimed property of
36 electric and gas utilities in accordance with the requirements of
37 R.S.46:30B-7;

38 (5) "The State agency responsible for child support
39 disbursements" means the Administrative Office of the Courts or
40 the Division of Family Development in the Department of Human
41 Services, whichever is responsible for providing disbursement
42 services in any given fiscal year.

43 (cf: P.L.2000, c.132, s.5)

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45 2. This act shall take effect immediately.

STATEMENT

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3 This bill addresses a potential fiscal shortfall which can occur
4 over time with respect to the funding of the State agency
5 responsible for child support disbursements, which may be either
6 the Administrative Office of the Courts or the Division of Family
7 Development in the Department of Human Services. Much of this
8 funding shortfall can result from federal income tax refund offset
9 reversals (due to successful appeals) concerning child support
10 delinquencies, resulting in a shortfall of federal refund payments to
11 the State.

12 In order to address this funding shortfall, the bill would create an
13 additional source of revenue for the agency responsible for child
14 support disbursements by tapping into the Unclaimed Child Support
15 Trust Fund, established by R.S.46:30B-74. Under the bill, the
16 administrator of the fund would pay, from the State's share of
17 abandoned child support, an amount, not exceeding 75% of the
18 fund's balance in any fiscal year, that is needed to balance unpaid
19 receivables resulting from the aforementioned federal income tax
20 refund offset reversals as well as the child support disbursement
21 process for which the full recovery of child support debts has been
22 unsuccessful.