

AMENDED IN ASSEMBLY JUNE 26, 2009

AMENDED IN SENATE APRIL 21, 2009

SENATE BILL

No. 578

Introduced by Senator Wright

February 27, 2009

An act to amend Section 17433.5 of the Family Code, relating to child support.

LEGISLATIVE COUNSEL'S DIGEST

SB 578, as amended, Wright. Child support: interest.

Existing law provides that in any action to enforce child support obligations, interest does not accrue on an obligation for current child, spousal, family, or medical support due in a given month until the first day of the following month.

The California Work Opportunity and Responsibility to Kids Act (CalWORKs) provides funding to certain families for various social services. Existing law requires a recipient of funding under CalWORKs to assign to the county any rights to support from any other person the recipient may have on his or her own behalf or on behalf of any other family member for whom the recipient is receiving aid, as specified. Existing law provides that an assignment of support rights to the county constitutes an assignment to the state.

This bill would additionally provide that no interest would accrue on arrears that are a result of aid granted under CalWORKs and that have been assigned to the state, as specified, in a given month in which the obligor has paid, *in full*, the current month's court-ordered payments of current support and arrears. The bill would require the Department of Child Support Services to implement that provision by letters or similar instructions, as specified.

The bill would become operative on January 1, 2011.

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 17433.5 of the Family Code is amended
2 to read:

3 17433.5. (a) In any action enforced pursuant to this article, no
4 interest shall accrue on an obligation for current child, spousal,
5 family, or medical support due in a given month until the first day
6 of the following month.

7 (b) Notwithstanding any other provision of law, interest on
8 obligations for current and past due child, spousal, family, or
9 medical support accrues as provided in Section 685.010 of the
10 Code of Civil Procedure unless suspended under subdivision (c).

11 (c) Interest accrual on arrears that are a result of aid granted
12 under Chapter 2 (commencing with Section 11200) of Part 3 of
13 Division 9 of the Welfare and Institutions Code, and that have
14 been assigned to the state pursuant to Section 11477 of the Welfare
15 and Institutions Code, up to the amount of total aid expended, shall
16 be suspended during those months in which the obligor has ~~paid~~
17 *paid, in full*, the current month's court-ordered payments of current
18 support and arrears.

19 (1) Interest accrual will be suspended on the first day of the
20 month following the current payment.

21 (2) Interest accrual will resume on the first day of the month
22 following the month in which a court-ordered payment of current
23 support and arrears is not received *in full*.

24 (d) Notwithstanding Chapter 3.5 (commencing with Section
25 11340) of Part 1 of Division 3 of Title 2 of the Government Code,
26 the department shall implement this section by means of child
27 support services (CSS) letters or similar instructions, without taking
28 any further regulatory action. Thereafter, the department may adopt
29 regulations, as necessary, to implement this section in accordance
30 with the requirements of Chapter 3.5 (commencing with Section
31 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

32 SEC. 2. This act shall become operative on January 1, 2011.

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