CHAPTER 277 FORMERLY SENATE BILL NO. 213

AN ACT TO AMEND TITLE 13 OF THE DELAWARE CODE RELATING TO THE DIVISION OF CHILD SUPPORT ENFORCEMENT.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend Title 13 of the Delaware Code by adding a new §2204A to read as follows:

"§2204A. Disbursement of Support Payments.

(a) The Division of Child Support Enforcement may establish a process to transfer support payments electronically to an account designated by the obligee of the support order or to an alternate account that can be accessed by the obligee through an electronic access card. The electronic transfer of support payments shall begin when the Department of Health and Social Services certifies all necessary steps in the process are established and complete.

(b) When the process for electronic transfer of support payments is certified by the Department of Health and Social Services and takes effect, all payments disbursed by the Division to an obligee shall be by electronic transfer of support payments unless the Division grants a hardship exemption. Before the date on which electronic transfer of support payments takes effect, the Division shall provide a notice to each obligee to whom it disburses support payments that includes the following:

1. That the obligee has twenty days after the date of the notice to complete an authorization for automatic deposit form and return it to the Division, and that if the obligee does not authorize direct deposit, the Division will issue an electronic access card for receipt of support payments unless the obligee claims a hardship exemption as provided herein.

2. That a request for a hardship exemption must be in writing and include documentation that supports the request.

3. Information on the use and restrictions associated with the use of an electronic access card.

(c) The Division may disburse a support payment by check if any of the following conditions applies:

1. Payment by check is necessary to meet federal requirements and electronic transfer is not feasible.

2. The obligee is involved in legal proceedings that require payments to be sent to a trustee or representative payee.

3. The obligee has not requested automatic deposit to a designated account of the obligee and has asserted in writing that the use of an electronic access card will create an undue hardship because of a documented physical or mental disability.

4. Payments on the support account are made so infrequently that the Division determines that disbursement of payments by electronic transfer is impracticable.

(d) The Division may adopt policies to implement the process for payment by electronic process.

(e) For the purposes of this section, "electronic access card" means a stored value card that is issued by the Division and in which support payments are deposited electronically in the same manner as automatic or direct deposit."

Approved June 10, 2010