

New Jersey Judiciary  
Report to the Governor and the Legislature on the  
Suspension of Licenses Due to Child Support Arrears  
State Fiscal Year 2014

I. Background

The federal Personal Responsibility Work Opportunity Reconciliation Act of 1996 (PRWORA) called for states to develop legislation to increase ways in which compliance with child support orders could be increased. Section 369 of PRWORA requires States to have and use the authority to withhold, suspend or restrict the use of driver's licenses, professional and occupational licenses, recreational and sporting licenses of individuals owing past due support or failing after receiving appropriate notice, to comply with subpoenas or warrants relating to paternity or child support proceedings. In response to that call, the New Jersey Child Support Improvement Act under N.J.S.A. 2A:17-56.41 et seq. provides the authority to deny, revoke or suspend a driver's license, professional license (including a license to practice law), or occupational license held by the obligor in order to encourage compliance with child support orders. To further encourage compliance, N.J.S.A. 2A:17.56.44 requires applicants for licenses to certify on the license application form under the penalty of perjury that they: do not have a child support obligation or, if they do, they do not owe six month's or more worth of arrears; have provided any court ordered health care coverage; have not failed to respond to a subpoena relating to paternity or child support proceedings; or are not the subject of a child support related warrant.

II. Description of the Process

Prior to seeking a license suspension or revocation, all appropriate enforcement methods, when available, such as income withholding, withholding of civil lawsuit awards, and the seizure of assets, must be exhausted. The selection criteria for the suspension of drivers' and professional licenses are as follows:

- 1) The child support arrearages equals or exceed the amount of child support payable for six months and the obligor is not paying the arrearage through an income withholding or in accordance with a court ordered payment schedule; or
- 2) Court ordered health care coverage is not provided; or
- 3) If the obligor fails to respond to a subpoena relating to a paternity or child support action.

All attempts to enforce the support provisions through income withholding, withholding of civil lawsuit awards, and the execution of assets, when available, must be exhausted before license suspension is attempted. Once a case has been selected based upon above mentioned criteria, the NJKiDS system will generate a notice of proposed license suspension for child support, giving the obligor three payment options:

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- 1) Pay the arrears in full within three working days (negotiable up to fifteen working days).
- 2) Agree to pay 25% of the total arrearage amount within three working days (negotiable up to fifteen working days) and agree to a payment schedule to satisfy the remaining arrears balance within one year.
- 3) Make a lump sum payment to bring the total arrearage amount under the six month arrearage threshold within three working days (negotiable up to fifteen working days) and keep the arrears balances below the threshold amount.

If none of the payment plans are feasible, or if the recipient alleges an error has been made, he or she can contest the proposed suspension and request a hearing. Failure to respond to the notice will result in the immediate suspension of any known licenses.

The Child Support Improvement Act also calls for drivers licenses to be suspended automatically by operation of law upon the issuance of a child support bench warrant. A child support- related bench warrant may be issued when the obligor does not appear for a hearing to establish paternity or support, the obligor does not appear for an enforcement hearing, or the obligor fails to adhere to the terms of an order (e.g., fails to make one or more specific payments or fails to provide medical coverage). On average, there are approximately 28,400 active child support warrants at any given time. NJKiDS is interfaced to the automated system used by the Motor Vehicle Commission to identify child support obligors with active bench warrants so that their drivers' licenses can be suspended. The notice of suspension is issued automatically by the Motor Vehicle Commission. Upon the discharge of the warrant, the obligor is eligible to apply to the Motor Vehicle Commission to restore the license for a fee.

### III. Results

This report represents the results of driver's license suspension data for state fiscal year 2014 as provided to the Judiciary by the Division of Family Development.

The suspension of drivers' licenses as a coercive tool has been a frequently employed method of collecting child support. The majority of driver's licenses that are suspended occur by operation of law. In state fiscal year 2014 (ending June 30, 2014), a total of 20,498 drivers' licenses were suspended, resulting in collections of \$4,333,543. These figures are derived from NJKiDS system and represent the number of driver's licenses that were actually suspended in FY 2014 and the resulting number of "purge" payments obtained from the suspensions. A "purge" payment is defined as a lump sum payment from a child support obligor that is made to satisfy an outstanding warrant.

Due to the conversion of computer systems from ACSES to NJKiDS, the data provided in this report was calculated by the Division of Family Development and the parameters for collections have changed from prior years. Therefore, comparisons to prior years' collections are not possible.

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Conclusion

Despite the change in data collection, driver's license suspension continues to be an effective tool in enforcing child support obligations. The driver's license suspension/restoration project collected \$4,333,543 in state fiscal year 2014 towards child support arrears.