



New Jersey Courts

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Suspension of Licenses Due to Child Support Arrears
Annual Report to the Governor and Legislature
2016

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I. Background

The suspension of a license is one of the many enforcement remedies available to assist in the enforcement of child support obligations. The ability to suspend a license was first made available by the federal Personal Responsibility Work Opportunity Reconciliation Act of 1996 (PRWORA), which called for states to develop legislation to increase ways in which compliance with child support orders could be increased. Section 369 of PRWORA provides the States the authority to withhold, suspend or restrict the use of driver's licenses, professional and occupational licenses, recreational and sporting licenses of individuals based on certain criteria. The New Jersey Child Support Improvement Act (N.J.S.A. 2A:17-56.41 *et seq.*) establishes the specific 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 as a tool in enforcing compliance with child support orders. License applicants are required to certify, as a part of the application process, that they do not owe qualifying arrears or are not in violation of any of the terms of a child support order or enforcement process.

Note: The suspension of a driver's license related to a bench warrant occurs automatically as a part of the warrant process. In all other instances, all other available remedies must first be exhausted, specifically, income withholding, withholding of civil lawsuit awards, and the execution on assets when available. Additionally, the court must review the circumstances of the non-custodial parent (NCP), including whether the NCP is involuntarily unemployed, whether the NCP is disabled, and whether the NCP is in compliance with a court-ordered payment plan.

II. Description of the Process

In order for a child support case to be eligible for license suspension, at least one of the following criteria must be met:

- 1) The child support arrearages must equal 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;
- 2) Court-ordered health care coverage is not provided;
- 3) The obligor fails to respond to a subpoena relating to a paternity or child support action.

When a case has met the first listed criteria, the automated child support system (NJKiDS) will generate a notice of proposed license suspension for child support, providing the NCP with three payment options in order to avoid the license suspension:

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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 the notice recipient alleges that an error has occurred or requests consideration due to disability or involuntary unemployment, he or she can contest the proposed suspension and request a hearing prior to the suspension being effectuated. Should the notice recipient choose to not respond to the notice, the result will be an immediate suspension of any known licenses.

Presently, NJKiDS does not automatically identify cases for license suspension where the NCP has failed to provide health care coverage or has failed to respond to a subpoena relating to a paternity or child support action.

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 NCP does not appear for a hearing to establish paternity or support, the NCP does not appear for an enforcement hearing, or the NCP 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). NJKiDS is interfaced to the automated system used by the Motor Vehicle Commission to identify child support NCP's 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 subject to payment of the standard license restoration fee.

III. Results

This report presents data on drivers' license suspensions based on child support for calendar year 2016, as provided to the Judiciary by the Division of Family Development in DHS.

The majority of drivers' license suspensions occur by operation of law when a bench warrant is issued due to the NCP's failure to comply with a child support order or appear at hearing to enforce litigants' rights. In calendar year 2016 a total of 25,025 drivers' licenses were suspended based on child support warrants, resulting in collections of \$3,365,898. These figures are derived from the NJKiDS system and represent the number of driver's licenses that were actually suspended in 2016 and the resulting total of

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“release amount” payments obtained from the suspensions due to a bench warrant. A “release amount” payment is defined as a lump sum payment from a child support obligor that is made to satisfy some or all of the arrears owed and to discharge a warrant.

Due to the conversion of the child support computer system from ACSES to NJKiDS, the data provided in this report was calculated by the Division of Family Development and the parameters for collections changed from prior years. Therefore, comparisons to prior years’ other than 2014 and 2015 collections, which were derived using the same methodology, are not possible. The 25,025 suspensions listed for 2016 represents a 30% decline in number from the 28,746 reported in 2015. The 2016 collections of \$3,365,898 is a 2% decline from the \$3,424,751 reported in 2015.

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