

**SENATE BILL REPORT**

**SB 5174**

**AS OF JANUARY 28, 1993**

**Brief Description:** Providing penalties for employers who withhold information necessary for the collection of child support payments.

**SPONSORS:** Senators Moore and Wojahn

**SENATE COMMITTEE ON LAW & JUSTICE**

**Staff:** Tom Fender (786-7414)

**Hearing Dates:** January 29, 1993

**BACKGROUND:**

Past legislative efforts have produced a child support enforcement mechanism that is efficient and effective in the context of standard business practices and honest representations by the obligor. It is reported, however, that in addition to the disappearing obligor, a problem exists when the obligor is a participant in the "underground economy."

The most common situation is where the obligor is paid in cash and no paper trail exists to determine income or upon which a wage assignment may be taken. Ordinarily, the situation is most common in self-employment or similar modes of business operation. Unfortunately, however, there are situations that appear on the surface to be arms length employment relationships that produce the same result. These schemes take a variety of forms but almost always have the common quality of having mutual benefit to both the employer and the employee. Current law provides the department with the investigatory tools and remedies for collection but lacks any authority to impose a civil penalty on the employer for such noncompliance.

**SUMMARY:**

The Office of Support Enforcement is granted the cumulative authority to collect child support from an employer and impose a civil penalty when the employer interferes with collection efforts or colludes with the employee to avoid support collection. The employer is granted a cause of action to recover amounts paid from the child support obligor.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** none requested