

RCW 26.23.063 Income withholding order—Employer notice requirements of lump sum payments. (1) An employer who has been served with an income withholding order for a responsible parent under this chapter, or chapter 74.20A or 26.21A RCW, that includes a provision for payment toward child support arrears shall notify the division of child support before making any lump sum payment of more than \$500 to the responsible parent. An employer may report a lump sum payment of a smaller amount or an amount yet to be determined by the division of child support.

(2) The employer provides notice by contacting:

(a) The division of child support; or

(b) The federal office of child support enforcement.

(3) An employer who reports a lump sum payment under this section shall determine the portion of the lump sum payment which consists of disposable earnings and may disburse 50 percent of that amount to the responsible parent.

(4) The employer must withhold and remit to the division of child support the amount needed to comply with the income withholding order.

(5) Notwithstanding any other provision of state law, unless otherwise agreed to by the employer and the division of child support, the employer may not disburse the remaining amount of the lump sum payment before the earlier of:

(a) The 15th calendar day after the date on which the employer reports the lump sum payment; or

(b) The date on which the income payer receives authorization from the division of child support to make all or a portion of the lump sum payment.

(6) Upon receipt of notice of a lump sum payment under this section, the division of child support shall respond to the employer within 14 calendar days after receiving the employer's report of a lump sum payment by providing:

(a) A written release indicating that some or all of the portion of the lump sum payment retained by the income payer may be disbursed to the obligor; or

(b) An amended or supplemental income withholding order or other written demand specifying the amount of the lump sum payment to be remitted to the division of child support on behalf of the responsible parent.

(7) The duties of an employer under this section are governed by the laws of the state of the responsible parent's principal place of employment.

(8) Failure to timely provide notice of a lump sum payment may constitute noncompliance under RCW 74.20A.350. [2023 c 248 s 5.]

Findings—2023 c 248: "(1) The legislature recognizes the importance of child support for families and the crucial role employers play as the primary source of income for many parents who owe child support.

(2) The legislature finds that when states have adopted a program for withholding and collection of lump sum payments from employers for child support arrears, those states have seen an increase in funds going to children. Employers, however, face a risk of liability for failing to timely pay employees their earned income by holding a lump sum payment pending a state response on whether arrears for child support are owed and withholding is required. Employers also face a risk of liability if a lump sum payment is released to an employee

before receiving a state response about arrears for child support and withholding, even if the employer is complying with state wage and hour laws.

(3) As a result, the legislature finds that adopting a program for withholding and collection of lump sum payments from employers for child support arrears that states the requirements of the department of social and health services and employers benefits families by increasing funds going to children and also mitigates risks to employers." [2023 c 248 s 1.]