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SENATE BILL 48

46TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2004

INTRODUCED BY

Manny M. Aragon

AN ACT

RELATING TO CHILD SUPPORT ENFORCEMENT; REDUCING THE INTEREST RATE FOR DELINQUENT CHILD SUPPORT; CHANGING THE STATUTE OF LIMITATIONS FOR PATERNITY CLAIMS; CHANGING THE STATUTE OF LIMITATIONS FOR PAST CHILD SUPPORT CLAIMS; ESTABLISHING AN ARREARS MANAGEMENT PROGRAM FOR UNPAID CHILD SUPPORT INTEREST AMNESTY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 40-4-7.3 NMSA 1978 (being Laws 1999, Chapter 299, Section 1) is amended to read:

"40-4-7.3. ACCRUAL OF INTEREST--DELINQUENT CHILD AND SPOUSAL SUPPORT. --

A. Interest shall accrue on delinquent child support at the rate of four percent and spousal support at the rate set forth in Section 56-8-4 NMSA 1978 in effect when the .149523.1

support payment becomes due and shall accrue from the date the support is delinquent until the date the support is paid [or consolidated in a judgment].

- B. Interest shall accrue on a consolidated judgment for delinquent <u>child</u> support at the rate [provided in Section 56-8-4 NMSA 1978 in effect] of four percent when the consolidated judgment is entered until the judgment is satisfied.
- C. Unless the order, judgment, decree or wage withholding order specifies a due date other than the first day of the month, support shall be due on the first day of each month and, if not paid by that date, shall be delinquent.
- D. In calculation of support arrears, payments of support shall be first applied to the current support obligation, next to any delinquent support, next to any consolidated judgment of delinquent support, next to any accrued interest on delinquent support and next to any interest accrued on a consolidated judgment of delinquent support.
- E. The human services department shall have the authority to forgive accrued interest on delinquent child support assigned to the state not otherwise specified in an order, judgment, decree or income withholding order if, in the judgment of the secretary of human services, forgiveness will likely result in the collection of more child support, spousal support or other support and will likely result in the

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2	This authority shall include the ability to authorize the
3	return of suspended licenses.
4	F. The human services department may adopt rules
5	and regulations as necessary to implement the provisions of the
6	Support Enforcement Act."
7	Section 2. Section 40-11-7 NMSA 1978 (being Laws 1986,
8	Chapter 47, Section 7) is amended to read:
9	"40-11-7. DETERMINATION OF FATHER AND CHILD
10	RELATIONSHIPWHO MAY BRING ACTIONWHEN ACTION MAY BE
11	BROUGHT
12	A. Any interested party may bring an action for the
13	purpose of determining the existence or nonexistence of the
14	parent and child relationship within twelve years of the birth
15	of the child.
16	B. If the interested party does not bring an action
17	within the twelve-year statute of limitations, the interested
18	party must show good cause.
19	[B.] C. If an action under this section is brought
20	before the birth of the child, all proceedings shall be stayed
21	until after the birth, except service of process and the taking
22	of depositions to perpetuate testimony."
23	Section 3. Section 40-11-15 NMSA 1978 (being Laws 1986,
24	Chapter 47, Section 15, as amended) is amended to read:

"40-11-15. JUDGMENT OR ORDER. --

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satisfaction of the judgment, decree or wage withholding order.

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	A.	The judgment	or order	of the	court determining
the ex	xi stence	e or nonexisten	ce of the	parent	and child
rel ati	i onshi p	is determinativ	ve for all	l purpos	ses.

- B. If the judgment or order of the court is at variance with the child's birth certificate, the court shall order that a new birth certificate be issued.
- C. The judgment or order may contain any other provision directed against or on behalf of the appropriate party to the proceeding concerning the duty of past and future support, the custody and guardianship of the child, visitation with the child, the furnishing of bond or other security for the payment of the judgment or any other matter within the jurisdiction of the court. Pursuant to the provisions of Section 40-11-23 NMSA 1978, the judgment or order may direct the father to pay the reasonable expenses of the mother's pregnancy, birth and confinement. The court shall order child support retroactive to the date of the child's birth pursuant to the provisions of Sections 40-11-23 and 40-4-11 through 40-4-11.3 NMSA 1978; provided that, in deciding whether or how long to order retroactive support, the court shall consider:
- whether the alleged or presumed father has absconded or could not be located; and
 - (2) whether equitable defenses are applicable.
- D. A determination of parentage and adjudication of support is binding on:

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1	(1) a signatory on an acknowledgment of
2	paterni ty;
3	(2) a nonresident party subject to the court's
4	jurisdiction pursuant to Section 40-6A-201 NMSA 1978; and
5	(3) the child, if:
6	(a) the determination was based on an
7	acknowledgment of paternity and the acknowledgment is
8	consistent with the results of genetic testing;
9	(b) the child was a party or was
10	represented in the proceeding by a guardian ad litem;
11	(c) there is a stipulation or admission
12	in the final order that the parties are the parents of the
13	child; or
14	(d) in a proceeding to dissolve a
15	marriage or establish support, a final order expressly
16	identified the child as a "child of the marriage", "issue of
17	the marriage", "child of the parties" or similar words that
18	indicate the parties are the parents of the child and, if
19	applicable, the court had personal jurisdiction over any
20	nonresident party pursuant to Section 40-6A-201 NMSA 1978.
21	E. Support judgments or orders ordinarily shall be
22	for periodic payments, which may vary in amount. In the best
23	interest of the child, a lump-sum payment or the purchase of an
24	annuity may be ordered in lieu of periodic payments of support;
25	provided, however, nothing in this section shall deprive a

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state agency of its right to reimbursement from an appropriate party should the child be a past or future recipient of public assistance.

- F. In determining the amount to be paid by a parent for support of the child, a court, child support hearing officer or master shall make such determination in accordance with the provisions of the child support guidelines of Section 40-4-11.1 NMSA 1978.
- G. Bills for pregnancy, childbirth and genetic testing are admissible as evidence without requiring third-party foundation testimony and constitute prima facie evidence of amounts incurred."
- Section 4. Section 40-11-16 NMSA 1978 (being Laws 1986, Chapter 47, Section 16, as amended) is amended to read:
- "40-11-16. COSTS.--The court may order reasonable fees of counsel, experts <u>and</u> the child's guardian and other costs of the action and pre-trial proceedings, including blood or genetic tests, to be paid by any party in proportions and at times determined by the court <u>pursuant to the provisions of Section 40-11-23 NMSA 1978</u>. The court may order the proportion of any indigent party to be paid from court funds."
- Section 5. Section 40-11-23 NMSA 1978 (being Laws 1986, Chapter 47, Section 23, as amended) is amended to read:
 - "40-11-23. LIMITATION. --
- A. An action to determine a parent and child $.\ 149523.\ 1$

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relationship under the Uniform Parentage Act shall be brought no later than [three years after the child has reached the age of majority.

B. The action to establish paternity under that act shall be available for any child for whom a paternity action was brought and dismissed on or after August 16, 1984 because of the application of a statute of limitations of less than eighteen years] twelve years after the birth of the child.

B. If the interested party does not bring an action within the twelve-year statute of limitations, the interested party must show good cause."

Section 6. Section 56-8-4 NMSA 1978 (being Laws 1851-1852, p. 255, as amended) is amended to read:

"56-8-4. JUDGMENTS AND DECREES--BASIS OF COMPUTING
INTEREST.--

A. Interest shall be allowed on judgments and decrees for the payment of money from entry and shall be calculated at the rate of eight and [three-quarters] three-fourths percent per year, unless:

(1) the judgment is rendered on a written instrument having a different rate of interest, in which case interest shall be computed at a rate no higher than specified in the instrument; [or]

(2) the judgment is based on tortious conduct, bad faith <u>or</u> intentional or willful acts, in which case . 149523.1

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of four percent.

interest shall be computed at the rate of fifteen percent; or

(3) the judgment is based on unpaid child

support, in which case interest shall be computed at the rate

- B. <u>Unless the judgment is based on unpaid child</u> <u>support</u>, the court in its discretion may allow interest of up to ten percent from the date the complaint is served upon the defendant after considering among other things:
- (1) if the plaintiff was the cause of unreasonable delay in the adjudication of the plaintiff's claims; and
- (2) if the defendant had previously made a reasonable and timely offer of settlement to the plaintiff.
- C. Nothing contained in this section shall affect the award of interest or the time from which interest is computed as otherwise permitted by statute or common law.
- D. The state and its political subdivisions are exempt from the provisions of this section except as otherwise provided by statute or common law."
- Section 7. A new section of the Support Enforcement Act is enacted to read:

"[NEW MATERIAL] UNPAID CHILD SUPPORT INTEREST ARREARS

MANAGEMENT PROGRAM -- The department shall designate an arrears

management program starting on or after December 15, 2004 to

provide amnesty for child support arrears, pursuant to

procedures adopted by the department. The arrears management program shall not exceed more than twelve months and shall only be authorized thereafter every two years. The department shall, before renewing the next arrears management program, provide to the interim welfare reform oversight committee a report on the previous arrears management program."

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