

State of California

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Legislative Change No. 99-41

Bill Number: AB 1671 Author: Judiciary Committee Chapter Number: 99-980

Laws Affecting Franchise Tax Board: Family Code Section 17523; Revenue and Taxation Code Section 19271.6, 19272 and 19273.

Date Filed with the Secretary of the State: October 10, 1999

SUBJECT: Child Support Enforcement

Assembly Bill 1671 (Committee on Judiciary), as enacted on October 10, 1999, made the following changes to California law:

Section 17523 is added to the Family Code (SEC. 15).

This act creates a lien by operation of law (statutory lien) on an obligor's personal property for all amounts of overdue support regardless of whether the amounts have been adjudicated or otherwise determined. However, the child support statutory lien would have priority over any competing state tax lien only if a child support lien is filed with the Secretary of State (SOS) or the levy is made on the property before the state tax lien is filed with the SOS.

This section is effective and operative on January 1, 2000.

Section 19271.6 of the Revenue and Taxation Code is amended (SEC. 16).

This act requires that out-of-state child support delinquencies be processed through the financial institutions data match and levies be made thereon, as mandated by federal law.

This section is effective on January 1, 2000, and operative July 1, 2001.

Section 19272 of the Revenue and Taxation Code is amended (SEC. 17.5).

This act makes a technical correction to child support collection laws administered by FTB by replacing a repealed section number of the Welfare and Institutions Code with the number of the new Family Code section under which counties receive incentive payments for child support collections.

Additionally, this act incorporates a provision from SB 542, which was enacted earlier this year (Stats. 99, Ch. 480). The provision require FTB to direct obligors or third parties to make any payments directly to the local child support agency that transferred the delinquency to FTB for accounts receivable management, pending implementation of a state disbursement unit and subject to phase-in. This provision otherwise would have been chaptered out by this bill.

Bureau Director

Johnnie Lou Rosas

Date

10/28/1999

This section is effective and operative on January 1, 2000. However, the provision from SB 542 is subject to phase-in, upon approval by the Department of Child Support Services, to the extent necessary to ensure that the local child support agency is capable of accepting payment.

Section 19273 of the Revenue and Taxation Code is amended (SEC. 18).

This act makes technical corrections to child support collection laws administered by FTB by replacing reference to the formal name of Statewide Automated Child Support System with the new name established by AB 150 (California Child Support Automation System), which was enacted earlier this year (Stats. 99, Ch. 479).

This section is effective and operative January 1, 2000.

This act will not require any reports by the department to the Legislature.