

2020 -- H 7428

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2020

A N A C T

RELATING TO INSURANCE - CHILD SUPPORT INTERCEPT ACT

Introduced By: Representatives Williams, Ajello, Kislak, Blazejewski, and Vella-Wilkinson

Date Introduced: February 05, 2020

Referred To: House Judiciary

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 27-57-1 of the General Laws in Chapter 27-57 entitled "Child
2 Support Intercept Act" is hereby amended to read as follows:

3 **27-57-1. Interception of insurance payments.**

4 (a) Every domestic insurer or insurance company authorized to issue policies of [life](#)
5 [insurance](#), liability insurance pursuant to this title, and also any workers' compensation insurer,
6 shall, within thirty (30) days prior to the making of any payment equal to or in excess of five
7 hundred dollars (\$500) to any claimant [or beneficiary](#) who is a resident of the state of Rhode
8 Island or to any claimant who has an accident or loss that occurred in the state of Rhode Island,
9 for third party for personal injury or workers' compensation benefits under a contract of
10 insurance, review information provided by the department of human service, office of child
11 support services, child support enforcement pursuant to § 27-57-4 indicating whether the claimant
12 owes past-due child support.

13 (b) If the insurer determines from the information provided by the department pursuant to
14 § 27-57-4 that the claimant or payee does not owe past-due support, the insurer may make the
15 payment to the claimant in accordance with the contract of the insurance.

16 (c) If the insurer determines from the information provided by the department pursuant to
17 § 27-57-4 that the claimant or payee owes past-due child support, the insurer shall, except to the
18 extent payments are subject to liens, written notices, or interests described in § 27-57-3, withhold
19 from payment the amount of past-due support and pay that amount to the family court which shall

1 credit the person's child support obligation account for the amount so paid, and the insurer shall
2 pay the balance to the claimant or other person entitled to it. The insurer or insurance company
3 shall provide written notice to the claimant and his or her attorney, if any, and notice by e-mail or
4 other electronic means, to the department of the payment to the family court. The payment shall
5 be deposited in the registry of the family court for a period of forty-five (45) days, or if an
6 application for review has been filed pursuant to subsection (d), until further order of the court.
7 The notice shall reflect the date, name, social security number, case number, and amount of the
8 payment. Any insurer or insurance company, its directors, agents, and employees and central
9 reporting organizations and their respective employees, authorized by an insurer to act on its
10 behalf, who release information in accordance with the provisions of this chapter, or who
11 withhold amounts from payment based upon the latest information supplied by the department
12 pursuant to § 27-57-4 and makes disbursements in accordance with § 27-57-3, shall be in
13 compliance and shall be immune from any liability to the claimant, payee lienholder, payee who
14 provided written notice, or security interest holder for taking that action.

15 (d) Any claimant aggrieved by any action taken under this section may within thirty (30)
16 days of the making of the notice to the claimant in subsection (c) of this section, seek judicial
17 review in the family court, which may in its discretion, issue a temporary order prohibiting the
18 disbursement of funds under this section, pending final adjudication.

19 [See § 12-1-15 of the General Laws.]

20 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO INSURANCE - CHILD SUPPORT INTERCEPT ACT

- 1 This act would expand child support interception of insurance payments to include life
- 2 insurance proceeds payable to non-custodial parents who are the beneficiaries of the policy.
- 3 This act would take effect upon passage.

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