ASSEMBLY JUDICIARY COMMITTEE

STATEMENT TO

ASSEMBLY, No. 78

STATE OF NEW JERSEY

DATED: MAY 20, 1996

The Assembly Judiciary Committee reports favorably Assembly Bill No. 78.

This bill provides for payment of alimony or separate maintenance by way of income withholding. The bill is modeled after the current child support withholding statutes, N.J.S.A.2A:17-56.8 and 2A:17-56.9.

As provided in those statutes, alimony payment withholding would not occur if the parties agree in writing to an alternative arrangement or if the court finds good cause for establishing an alternative arrangement, unless the obligor accumulates arrearages equal to the amount payable for 14 days.

In addition, as provided in the child support statutes, the provisions for income withholding for alimony would also be applicable to all orders issued on or before the effective date of this act; the total amount of income to be withheld could not exceed the maximum amount permitted under the federal Consumer Credit Protection Act (15 U.S.C.§1673(b)); and the income withholding would be required to be carried out in full compliance with all procedural due process requirements. The bill provides that the Administrative Office of the Courts would establish procedures for promptly terminating the withholding when necessary and for promptly refunding amounts which have been improperly withheld.

This bill embodies Recommendation 15 of the report of the Commission to Study the Law of Divorce, issued April 18, 1995.

This bill was prefiled for introduction in the 1996 session pending technical review. As reported, the bill includes the changes required by technical review which has been performed.