

# Office of Child Support **POLICY SHEET**

## SUBJECT

**Noncustodial Purge and Settlement Payments**

**PS# 13-04**

## POLICY

Federal regulations require the Office of Child Support (OCS) to allocate payments across wage withholding cases. This is true even if the payment is not made by wage withholding. Only in situations of court ordered purge payments or settlement deals can the normal allocation methods be overridden.

A purge payment is any payment made to satisfy the purge conditions in a contempt order to avoid sanctions such as incarceration. Allocating payments to only that case allows the noncustodial parent to comply with the court's contempt order.

A settlement may be reached in many types of cases, including those where 1) the obligor seeks license reinstatement, 2) the obligor would like to avoid an enforcement filing or 3) the parties wish to settle contempt or other judicial enforcement without hearing. OCS ought not support settlements which avoid payment in a current support case. All settlements must provide for payment of the current monthly support obligations in all cases before the remaining payment is to be applied to settle arrearages due in one particular case.

The exception to the rule is when the OCS Intercept Unit is administratively enforcing. Due to notice requirements, OCS can only apply funds to the cases where the Intercept Unit initiated administrative enforcement actions.

Enforcement orders containing a requirement that the ongoing support be satisfied prospectively, but which do not contain a finite date by which a payment must be received, will not be considered a purge payment. For these cases, the OCS representative should include specific and clarifying language in the order that notifies parties (and the court) that the order does not alter any other child support obligations. As such, CRU will allocate payments across all of the obligor's obligated cases in accordance with federal distribution regulations.

## **RATIONALE**

45 C.F.R. § 303.100(a)(5):

“If there is more than one notice for withholding against a single non-custodial parent, the State must allocate amounts available for withholding giving priority to current support up to the limits imposed under section 303(b) of the Consumer Credit Protection Act (15 U.S.C. 1673(b)). The State must establish procedures for allocation of support amount to families, but in no case shall the allocation result in a withholding for one of the support obligations not being implemented.”

The exception to this rule is only for a purge payment as part of an enforcement action.

<b>Date</b>	<b>Action</b>	<b>Description</b>
07/25/2013	Created	
04/02/2014	Revised	
09/11/2014	Revised	
04/22/2016	Revised	Added additional procedures for Court Representative messaging CRU
11/20/2023	Revised	Removed procedural steps to be featured in separate document; applied standard formatting