
SENATE BILL No. 639

DIGEST OF INTRODUCED BILL

Citations Affected: IC 31-14-12-1; IC 31-16-12-2.

Synopsis: Interest on delinquent child support. Requires a court to order interest charges on all delinquent child support payments that are at least the equivalent of 2% above the prevailing prime bank lending rate on the date a child support order is issued. Provides that the interest charges apply to all delinquent child support as of July 1, 2005.

Effective: July 1, 2005.

Hume, Bray

January 24, 2005, read first time and referred to Committee on Judiciary.

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First Regular Session 114th General Assembly (2005)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2004 Regular Session of the General Assembly.

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SENATE BILL No. 639



A BILL FOR AN ACT to amend the Indiana Code concerning family law and juvenile law.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 31-14-12-1 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 1. **(a) A court shall**
3 **order interest charges that are at least the equivalent of two**
4 **percent (2%) above the prevailing prime bank lending rate on the**
5 **date a child support order is issued to be paid on any delinquent**
6 **child support payment that occurs.**

7 ~~(a)~~ **(b)** A court may, upon application by a person or an agency
8 entitled to receive child support payments ordered by the court, order
9 interest charges equal to one and one-half percent (1.5%) per month to
10 be paid on any delinquent child support payment that occurs.

11 **(c)** The person or agency may apply for interest **under this section:**
12 (1) at the time the support order is issued or modified; or
13 (2) whenever support payments are not made in accordance with
14 the support order.

15 ~~(b)~~ **(d)** Interest charges may be collected in the same manner as
16 support payments.

17 SECTION 2. IC 31-16-12-2 IS AMENDED TO READ AS



1 FOLLOWS [EFFECTIVE JULY 1, 2005]: Sec. 2. (a) **A court shall**
2 **order interest charges that are at least the equivalent of two**
3 **percent (2%) above the prevailing prime bank lending rate on the**
4 **date a child support order is issued to be paid on any delinquent**
5 **child support payment that occurs.**

6 (b) The court may, upon a request by the person or agency entitled
7 to receive child support payments, order interest charges of not more
8 than one and one-half percent (1 1/2%) per month to be paid on any
9 delinquent child support payment.

10 (c) The person or agency may apply for interest if support payments
11 are not made in accordance with the support order. Accrued interest
12 charges may be collected in the same manner as support payments
13 under IC 31-16-9.

14 SECTION 3. [EFFECTIVE JULY 1, 2005] (a) **Interest charges**
15 **under IC 31-14-12-1 and IC 31-16-12-2, as amended by this act,**
16 **apply to all child support, including child support arrearage, that**
17 **is delinquent on July 1, 2005, including child support that is owed**
18 **under child support orders issued under IC 31-14-12-1 before its**
19 **amendment by this act or under IC 31-16-12-2 before its**
20 **amendment by this act.**

21 (b) **In the case of child support orders issued under**
22 **IC 31-14-12-1 before its amendment by this act or under**
23 **IC 31-14-12-2 before its amendment by this act, the rate of the**
24 **interest charges imposed by this SECTION is two percent (2%)**
25 **above the prevailing prime bank lending rate on the date on which**
26 **the child support order was issued.**

27 (c) **Interest charges under IC 31-14-12-1 and IC 31-16-12-2,**
28 **both as amended by this act, begin accruing on all delinquent child**
29 **support under subsection (a) on July 1, 2005.**

30 (d) **This SECTION expires July 1, 2009.**

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