

Amend SB 865 by adding the following appropriately numbered SECTIONS and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 234.010, Family Code, is amended to read as follows:

Sec. 234.010. DIRECT DEPOSIT AND ELECTRONIC BENEFITS TRANSFER OF CHILD SUPPORT PAYMENTS. (a) The state disbursement unit authorized under this chapter may make a direct deposit of ~~[transmit]~~ a child support payment to an obligee by electronic funds transfer into ~~[if the obligee maintains]~~ an account with a financial institution maintained by the obligee. It is the responsibility of the obligee to notify the state disbursement unit of:

(1) the existence of an account;

(2) the appropriate routing information for direct deposit by electronic funds transfer into an account; and

(3) any modification to account information previously provided to the state disbursement unit, including information that an account has been closed.

(b) Except as provided by Subsection (d), the state disbursement unit shall deposit a child support payment by electronic funds transfer into a debit card account established for the obligee by the Title IV-D agency if the obligee:

(1) does not maintain an account with a financial institution;

(2) fails to notify the state disbursement unit of the existence of an account maintained with a financial institution; or

(3) closes an account maintained with a financial institution previously used to accept direct deposit of a child support payment without establishing a new account and notifying the state disbursement unit of the new account in accordance with Subsection (a) [The work group convened under this subchapter may develop a plan to assist an obligee who does not have an account with a financial institution to obtain an account].

(c) The Title IV-D agency shall:

(1) issue a debit card to each obligee for whom a debit card account is established under Subsection (b); and

(2) provide the obligee with instructions for activating and using the debit card ~~[work group may determine whether it is feasible and cost-effective for the state to administer an electronic benefits transfer system for child support obligees and may recommend implementation of such a system to the Title IV-D agency]~~.

(c-1) Chapter 604, Business & Commerce Code, does not apply to a debit card issued under Subsection (c).

(d) An obligee may decline in writing to receive child support payments by electronic funds transfer into an account with a financial institution or a debit card account and request that payments be provided by paper warrants if the obligee alleges that receiving payments by electronic funds transfer would impose a substantial hardship ~~[After receiving any recommendations by the work group under Subsection (c), the Title IV-D agency or the vendor selected by the Title IV-D agency to operate the state disbursement unit may provide for electronic benefits transfer, if the request for proposals issued by the Title IV-D agency and any contract resulting from the selection of a vendor to provide the services specified in the request for proposals provides for electronic benefits transfer]~~.

(e) A child support payment disbursed by the state disbursement unit by electronic funds transfer into an account with a financial institution maintained by the obligee or into a debit card account established for the obligee under Subsection (b) is solely the property of the obligee ~~[The work group may recommend and the Title IV-D agency may establish procedures to implement this section.~~

~~[(f) The Title IV-D agency, after receiving the recommendation of the work group, may require an obligee to receive payments by direct deposit to the obligee's bank account or by electronic benefits transfer to an account established by the Title IV-D agency or the state disbursement unit if the account is established at no cost to the obligee].~~

SECTION _____. Section 72.101, Property Code, is amended by adding Subsection (e) to read as follows:

(e) This section does not apply to money collected as child

support that:

(1) is being held for disbursement by the state disbursement unit under Chapter 234, Family Code, or a local registry, as defined by Section 101.018, Family Code, pending identification and location of the person to whom the money is owed;
or

(2) has been disbursed by the state disbursement unit under Chapter 234, Family Code, by electronic funds transfer into a child support debit card account established for an individual under Section 234.010, Family Code, but not activated by the individual.

SECTION _____. Subdivision (1), Subsection (a), Section 73.001, Property Code, is amended to read as follows:

(1) "Account" means funds deposited with a depository in an interest-bearing account, a checking or savings account, or a child support debit card account established under Section 234.010, Family Code, or funds received by a depository in exchange for the purchase of a stored value card.