

1-1 By: Wentworth S.B. No. 432
1-2 (In the Senate - Filed January 8, 2009; February 17, 2009,
1-3 read first time and referred to Committee on Jurisprudence;
1-4 March 20, 2009, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 6, Nays 0; March 20, 2009,
1-6 sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 432 By: Wentworth

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to liability for failure to comply with a child support
1-11 lien, court order, or notice of levy.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Section 157.324, Family Code, is amended to read
1-14 as follows:

1-15 Sec. 157.324. LIABILITY FOR FAILURE TO COMPLY WITH ORDER OR
1-16 LIEN. (a) A person who knowingly pays over, releases, sells,
1-17 transfers, encumbers, conveys, or otherwise disposes of property
1-18 subject to a child support lien or who, after a foreclosure hearing,
1-19 fails to surrender on demand nonexempt personal property as
1-20 directed by a court under this subchapter is liable to the claimant
1-21 in an amount equal to the greater of two times the value of the
1-22 property paid over, released, sold, transferred, encumbered,
1-23 conveyed, or otherwise disposed of or not surrendered or \$5,000,
1-24 but not to exceed the amount of the child support arrearages for
1-25 which the lien or foreclosure judgment was issued.

1-26 (b) A claimant may recover costs and reasonable attorney's
1-27 fees incurred in an action under this section.

1-28 (c) Fifty percent of the amount paid by a person to the
1-29 claimant under Subsection (a) shall be credited against the child
1-30 support arrearages owed by the obligor.

1-31 (d) A financial institution is not liable under this section
1-32 for the disposition of assets in an account if the child support
1-33 lien does not contain either the account number or the social
1-34 security number of an account owner of record.

1-35 SECTION 2. Section 157.330, Family Code, is amended by
1-36 amending Subsection (a) and adding Subsections (c) and (d) to read
1-37 as follows:

1-38 (a) A person who possesses or has a right to property that is
1-39 the subject of a notice of levy delivered to the person and who
1-40 refuses or fails to timely surrender the property or right to
1-41 property that should have been paid or delivered to the claimant on
1-42 demand is liable to the claimant in an amount equal to the greater
1-43 of two times the value of the property or right to property that
1-44 should have been paid or delivered or \$5,000, [not surrendered] but
1-45 [that does] not to exceed the amount of the child support arrearages
1-46 for which the notice of levy has been filed.

1-47 (c) Fifty percent of the amount paid by a person to the
1-48 claimant under Subsection (a) shall be credited against the child
1-49 support arrearages owed by the obligor.

1-50 (d) A financial institution is not liable under this section
1-51 for the disposition of assets in an account if the notice of levy
1-52 does not contain either the account number or the social security
1-53 number of an account owner of record.

1-54 SECTION 3. This Act takes effect September 1, 2009.

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