

---

By: **Delegate Doory**  
Introduced and read first time: February 6, 2002  
Assigned to: Judiciary

---

Committee Report: Favorable with amendments  
House action: Adopted  
Read second time: March 22, 2002

---

CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Child Support - Financial Institutions - Garnishment of Accounts**

3 FOR the purpose of requiring a financial institution to submit certain information to  
4 the Child Support Enforcement Administration; authorizing the Administration  
5 to seize and attach certain assets from an account or accounts of an obligor  
6 under certain circumstances; requiring the Administration to send a notice  
7 containing certain information to a financial institution, ~~an obligor, and an~~  
8 ~~account holder of interest~~ and an obligor under certain circumstances; providing  
9 an obligor or an account holder of interest the right to challenge a decision by  
10 the Administration in a certain manner under certain circumstances; providing  
11 an obligor or an account holder of interest the right to appeal the findings of the  
12 Administration after the Administration has reviewed a challenge filed by the  
13 obligor or an account holder of interest; providing for the right of a challenging  
14 party and the Administration to withdraw ~~a request for an administrative~~  
15 challenge or appeal; requiring the Administration to take certain actions after  
16 completion of a challenge or appeal; providing that a financial institution that  
17 complies with this Act is not liable for certain actions; requiring the  
18 Administration to reimburse certain account holders of interest under certain  
19 circumstances; providing a certain exception for disclosures by fiduciary  
20 institutions; defining certain terms; altering certain definitions; correcting  
21 certain cross references; and generally relating to the Child Support  
22 Enforcement Administration and the garnishment of accounts.

23 BY renumbering  
24 Article - Family Law  
25 Section 10-108.3 through 10-108.5, respectively  
26 to be Section 10-108.5 through 10-108.7, respectively

1 Annotated Code of Maryland  
2 (1999 Replacement Volume and 2001 Supplement)

3 BY repealing and reenacting, with amendments,  
4 Article - Family Law  
5 Section 10-108.2  
6 Annotated Code of Maryland  
7 (1999 Replacement Volume and 2001 Supplement)

8 BY adding to  
9 Article - Family Law  
10 Section 10-108.3 and 10-108.4  
11 Annotated Code of Maryland  
12 (1999 Replacement Volume and 2001 Supplement)

13 BY repealing and reenacting, with amendments,  
14 Article - Financial Institutions  
15 Section 1-302  
16 Annotated Code of Maryland  
17 (1998 Replacement Volume and 2001 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
19 MARYLAND, That Section(s) 10-108.3 through 10-108.5, respectively, of Article -  
20 Family Law of the Annotated Code of Maryland be renumbered to be Section(s)  
21 10-108.5 through 10-108.7, respectively.

22 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland  
23 read as follows:

24 **Article - Family Law**

25 10-108.2.

26 (a) (1) In this section[,] AND IN § 10-108.3 OF THIS SUBTITLE ["financial  
27 institution" means] THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

28 (2) (I) "ACCOUNT" MEANS:

29 1. ANY FUNDS FROM A DEMAND DEPOSIT ACCOUNT,  
30 CHECKING ACCOUNT, NEGOTIABLE ORDER OF WITHDRAWAL ACCOUNT, SAVINGS  
31 ACCOUNT, TIME DEPOSIT ACCOUNT, MONEY MARKET MUTUAL FUND ACCOUNT, OR  
32 CERTIFICATE OF DEPOSIT ACCOUNT;

33 2. ANY FUNDS PAID TOWARDS THE PURCHASE OF SHARES  
34 OR OTHER INTEREST IN A FINANCIAL INSTITUTION, AS DEFINED IN PARAGRAPH  
35 (4)(II) AND (III) OF THIS SUBSECTION; AND

1 3. ANY FUNDS OR PROPERTY HELD BY A FINANCIAL  
2 INSTITUTION, AS DEFINED IN PARAGRAPH ~~(4)(III)~~ (4)(IV) OF THIS SUBSECTION.

3 (II) "ACCOUNT" DOES NOT INCLUDE:

4 1. AN ACCOUNT OR PORTION OF AN ACCOUNT TO WHICH AN  
5 OBLIGOR DOES NOT HAVE ACCESS DUE TO THE PLEDGE OF THE FUNDS AS SECURITY  
6 FOR A LOAN OR OTHER OBLIGATION;

7 2. FUNDS OR PROPERTY DEPOSITED TO AN ACCOUNT AFTER  
8 THE TIME THAT THE FINANCIAL INSTITUTION INITIALLY ATTACHES THE ACCOUNT;

9 3. AN ACCOUNT OR PORTION OF AN ACCOUNT TO WHICH  
10 THE FINANCIAL INSTITUTION HAS A PRESENT RIGHT TO EXERCISE A RIGHT OF  
11 SETOFF; ~~OR~~

12 4. ~~BASED ON THE FINANCIAL INSTITUTION'S RECORDS, AN~~  
13 ~~ACCOUNT FOR WHICH THE OBLIGOR APPEARS TO BE ACTING SOLELY IN A~~  
14 ~~REPRESENTATIVE CAPACITY FOR ANOTHER PERSON OR PERSONS. AN ACCOUNT OR~~  
15 ~~PORTION OF AN ACCOUNT THAT HAS AN ACCOUNT HOLDER OF INTEREST NAMED AS~~  
16 ~~AN OWNER ON THE ACCOUNT; OR~~

17 5. AN ACCOUNT OR PORTION OF AN ACCOUNT TO WHICH  
18 THE OBLIGOR DOES NOT HAVE AN UNCONDITIONAL RIGHT OF ACCESS.

19 (3) "ACCOUNT HOLDER OF INTEREST" MEANS ANY PERSON, OTHER  
20 THAN THE OBLIGOR, WHO ASSERTS AN OWNERSHIP INTEREST IN AN ACCOUNT.

21 (4) "FINANCIAL INSTITUTION" MEANS:

22 [(1)] (I) a depository institution, as defined in the Federal Deposit  
23 Insurance Act at 12 U.S.C. § 1813(c);

24 [(2)] (II) a federal credit union ~~or State credit union~~, as defined in the  
25 Federal Credit Union Act at 12 U.S.C. § 1752; ~~or~~

26 [(3)] (III) A STATE CREDIT UNION REGULATED UNDER TITLE 6 OF THE  
27 FINANCIAL INSTITUTIONS ARTICLE; OR

28 (IV) a benefit association, insurance company, safe deposit company,  
29 money-market mutual fund, or similar entity doing business in the State that holds  
30 property or maintains accounts reflecting property belonging to others.

31 (b) To carry out the purposes of this section, the Administration may request  
32 from any financial institution information and assistance to enable the  
33 Administration to enforce the liability of a parent to support a child of the parent.

34 (c) (1) The Administration may request not more than four times a year  
35 from a financial institution the information set forth in subsection (d)(2) of this

1 section concerning any obligor in arrears in paying child support through a support  
2 enforcement agency.

3 (2) A request for information by the Administration under paragraph (1)  
4 of this subsection shall:

5 (i) contain:

6 1. the full name of the obligor and any other names known to  
7 be used by the obligor; and

8 2. the Social Security number or other taxpayer  
9 identification number of the obligor; and

10 (ii) be transmitted to the financial institution in an electronic  
11 format unless the financial institution specifically asks the Administration to submit  
12 the request in writing.

13 (d) (1) Within 30 days after a financial institution receives a request for  
14 information under subsection (c) of this section, the financial institution shall  
15 [submit a report to the Administration]:

16 (I) NOTIFY THE ADMINISTRATION THAT THE FINANCIAL  
17 INSTITUTION SUBMITS REPORTS INDIRECTLY THROUGH THE FEDERAL PARENT  
18 LOCATOR SERVICE UNDER 42 U.S.C. § 666(A)(17); OR

19 (II) WITH RESPECT TO EACH OBLIGOR WHOSE NAME THE  
20 ADMINISTRATION SUBMITTED TO THE FINANCIAL INSTITUTION AND WHO  
21 MAINTAINS AN ACCOUNT WITH THE FINANCIAL INSTITUTION, SUBMIT A REPORT TO  
22 THE ADMINISTRATION.

23 (2) The report[, with respect to each obligor whose name was submitted  
24 to the financial institution and who maintains an account with the financial  
25 institution, shall contain] DESCRIBED IN PARAGRAPH (1)(II) OF THIS SUBSECTION  
26 SHALL CONTAIN, TO THE EXTENT REFLECTED IN THE RECORDS OF THE FINANCIAL  
27 INSTITUTION:

28 (i) the full name of the obligor;

29 (ii) the address of the obligor;

30 (iii) the Social Security or other taxpayer identification number of  
31 the obligor;

32 (iv) any other identifying information needed to assure positive  
33 identification of the obligor; and

34 (v) FOR EACH ACCOUNT OF THE OBLIGOR, the obligor's account  
35 number and balance.

1 (3) [The report required under paragraph (2)] A REPORT SUBMITTED  
2 UNDER PARAGRAPH (1)(II) of this subsection shall be provided to the Administration  
3 in machine readable form.

4 (4) The Administration shall pay the financial institution a reasonable  
5 fee, not to exceed the actual costs incurred by the financial institution to comply with  
6 the requirements of this [subsection] SECTION AND § 10-108.3 OF THIS SUBTITLE  
7 INCLUDING COSTS FOR:

8 (I) COMPILING AND PROVIDING REPORTS TO THE  
9 ADMINISTRATION;

10 (II) COMPILING AND PROVIDING REPORTS THROUGH THE FEDERAL  
11 PARENT LOCATOR SERVICE, BUT IN SUCH A CASE THE ACTUAL COSTS OF THE  
12 FINANCIAL INSTITUTION SHALL BE BASED ON A PERCENTAGE OF THE FINANCIAL  
13 INSTITUTION'S TOTAL ACTUAL COST, WHICH PERCENTAGE SHALL BE DETERMINED  
14 BY DIVIDING THE TOTAL NUMBER OF ACCOUNTS MAINTAINED BY THE FINANCIAL  
15 INSTITUTION IN MARYLAND BY THE TOTAL NUMBER OF ACCOUNTS MAINTAINED BY  
16 THE FINANCIAL INSTITUTION FOR ALL JURISDICTIONS INCLUDED IN THE REPORT;  
17 AND

18 (III) NECESSARY UPGRADES TO EXISTING COMPUTER, SOFTWARE,  
19 OR OTHER DATA COMPILATION SYSTEMS THAT ARE DIRECTLY RELATED TO  
20 COMPLIANCE WITH THE REQUIREMENTS OF THIS SECTION AND § 10-108.3 OF THIS  
21 SUBTITLE.

22 (5) The Administration may institute civil proceedings to enforce this  
23 section.

24 (e) A financial institution that complies with a request from the  
25 Administration [made under this section] BY NOTIFYING THE ADMINISTRATION OR  
26 SUBMITTING A REPORT TO THE ADMINISTRATION IN ACCORDANCE WITH  
27 SUBSECTION (D) OF THIS SECTION is not liable under State law to any person for any:

28 (1) disclosure of information to the Administration under this section; or

29 (2) other action taken in good faith to comply with the requirements of  
30 this section.

31 10-108.3.

32 (A) (1) IF AN OBLIGOR IDENTIFIED IN A REPORT SUBMITTED UNDER  
33 SECTION 10-108.2 OF THIS SUBTITLE OR IN A REPORT MADE TO THE FEDERAL  
34 PARENT LOCATOR SERVICE UNDER 42 U.S.C. § 666(A)(17) IS \$500 OR MORE IN ARREARS  
35 OF A CHILD SUPPORT OBLIGATION AND HAS NOT PAID CHILD SUPPORT FOR MORE  
36 THAN 60 DAYS, THE ADMINISTRATION MAY INSTITUTE AN ACTION TO ATTACH AND  
37 SEIZE THE AMOUNT OF THE ARREARAGE IN ONE OR MORE OF THE ACCOUNTS OF  
38 THE OBLIGOR WITH A FINANCIAL INSTITUTION TO SATISFY THE AMOUNT OF  
39 ARREARAGE OWED BY THE OBLIGOR.

1 (2) BEFORE ATTACHING AND SEIZING THE OBLIGOR'S ACCOUNTS, THE  
2 ADMINISTRATION SHALL SEND A NOTICE TO THE OBLIGOR AT THE OBLIGOR'S LAST  
3 KNOWN ADDRESS ADVISING THE OBLIGOR OF THE ENFORCEMENT ACTIONS THAT  
4 MAY BE TAKEN, INCLUDING THAT THE OBLIGOR'S ACCOUNTS MAY BE SUBJECT TO  
5 GARNISHMENT FOR PAYMENT OF A CHILD SUPPORT ARREARAGE.

6 (B) (1) IF THE ADMINISTRATION INSTITUTES AN ACTION AGAINST AN  
7 OBLIGOR UNDER SUBSECTION (A) OF THIS SECTION, THE ADMINISTRATION SHALL  
8 SEND A NOTICE TO THE FINANCIAL INSTITUTION IN WHICH ONE OR MORE OF THE  
9 OBLIGOR'S ACCOUNTS ARE LOCATED, BY CERTIFIED MAIL, RETURN RECEIPT  
10 REQUESTED, OR BY OTHER METHOD ACCEPTABLE TO THE FINANCIAL INSTITUTION,  
11 AT THE ADDRESS DESIGNATED FOR THIS PURPOSE BY THE FINANCIAL INSTITUTION  
12 OR, IF NO ADDRESS HAS BEEN DESIGNATED, TO THE PRINCIPAL OFFICE OF THE  
13 FINANCIAL INSTITUTION.

14 (2) THE NOTICE SHALL CONTAIN THE FOLLOWING INFORMATION, TO  
15 THE EXTENT KNOWN BY THE ADMINISTRATION:

16 (I) THE ADDRESS OF THE ADMINISTRATION;

17 (II) THE TELEPHONE NUMBER, ADDRESS, AND NAME OF A  
18 CONTACT PERSON AT THE ADMINISTRATION;

19 (III) THE NAME AND SOCIAL SECURITY NUMBER OR OTHER  
20 TAXPAYER IDENTIFICATION NUMBER OF THE OBLIGOR;

21 (IV) THE ADDRESS OF THE OBLIGOR;

22 (V) FOR EACH ACCOUNT OF THE OBLIGOR, THE OBLIGOR'S  
23 ACCOUNT NUMBER AND KNOWN BALANCE WITH THE FINANCIAL INSTITUTION;

24 (VI) THE AMOUNT OF ARREARAGE THAT THE FINANCIAL  
25 INSTITUTION SHALL SEIZE AND ATTACH FROM ONE OR MORE OF THE ACCOUNTS OF  
26 THE OBLIGOR; AND

27 (VII) A STATEMENT INSTRUCTING THE FINANCIAL INSTITUTION TO  
28 IMMEDIATELY ATTACH AND SEIZE THE AMOUNT OF ARREARAGE STATED IN ITEM (VI)  
29 OF THIS PARAGRAPH FROM ONE OR MORE OF THE ACCOUNTS OF THE OBLIGOR AND,  
30 UPON SUBSEQUENT NOTICE BY THE ADMINISTRATION, TO FORWARD THE AMOUNT  
31 TO THE ADMINISTRATION.

32 (C) (1) ON RECEIPT OF THE NOTICE UNDER SUBSECTION (B) OF THIS  
33 SECTION, THE FINANCIAL INSTITUTION SHALL PROMPTLY SEIZE AND ATTACH FROM  
34 ONE OR MORE OF THE ACCOUNTS IDENTIFIED IN THE ADMINISTRATION'S NOTICE TO  
35 THE FINANCIAL INSTITUTION AN AGGREGATE AMOUNT EQUAL TO THE LESSER OF  
36 THE AMOUNTS IN ALL ACCOUNTS OR THE AMOUNT STATED IN THE NOTICE.

37 ~~(2) AN ACCOUNT IDENTIFIED IN THE ADMINISTRATION'S NOTICE TO~~  
38 ~~THE FINANCIAL INSTITUTION SHALL BE HELD AS REQUIRED IN PARAGRAPH (1) OF~~  
39 ~~THIS SUBSECTION REGARDLESS OF WHETHER THE OBLIGOR MAINTAINS THE~~

~~1 ACCOUNT ALONE OR WITH ANOTHER PERSON OR PERSONS WHO ARE NOT OBLIGORS,  
2 INCLUDING A SPOUSE OF THE OBLIGOR.~~

3           ~~(3)~~   ~~(4)~~   (2)   NOT LATER THAN 30 DAYS AFTER THE FINANCIAL  
4 INSTITUTION RECEIVES THE NOTICE DIRECTING IT TO SEIZE AND ATTACH  
5 ACCOUNTS OF THE OBLIGOR, THE FINANCIAL INSTITUTION SHALL SEND NOTICE TO  
6 THE ADMINISTRATION BY REGULAR MAIL SPECIFYING THE AGGREGATE AMOUNT  
7 HELD UNDER THIS SUBSECTION.

8                   ~~(4)~~   (3)   IF AN ACCOUNT THAT HAS BEEN SEIZED AND ATTACHED  
9 IS MAINTAINED BY THE OBLIGOR WITH ONE OR MORE ACCOUNT HOLDERS OF  
10 INTEREST AS REFLECTED ON THE RECORDS OF THE FINANCIAL INSTITUTION, THE  
11 FINANCIAL INSTITUTION'S NOTICE TO THE ADMINISTRATION SHALL STATE THAT  
12 FACT AND SHALL PROVIDE, TO THE EXTENT REFLECTED IN THE FINANCIAL  
13 INSTITUTION'S RECORDS, THE NAME AND ADDRESS OF THE OTHER PERSON OR  
14 PERSONS.

15           (4)   (I)   THE FINANCIAL INSTITUTION MAY ASSESS A FEE AGAINST THE  
16 ACCOUNTS OR THE OBLIGOR, IN ADDITION TO THE AMOUNT IDENTIFIED IN THE  
17 NOTICE UNDER SUBSECTION (B) OF THIS SECTION.

18                   (II)   IN THE CASE OF INSUFFICIENT FUNDS TO COVER BOTH THE  
19 FEE AND THE AMOUNT IDENTIFIED IN THE NOTICE UNDER SUBSECTION (B) OF THIS  
20 SECTION, THE FINANCIAL INSTITUTION MAY FIRST DEDUCT AND RETAIN THE FEE  
21 FROM THE AMOUNT SEIZED AND ATTACHED AS PROVIDED IN THIS SECTION.

22           (5)   THE FINANCIAL INSTITUTION MAY NOT BE HELD LIABLE TO ANY  
23 PERSON, INCLUDING THE ADMINISTRATION, THE OBLIGOR, OR ANY PERSON NAMED  
24 ON THE ACCOUNT, FOR WRONGFUL DISHONOR OR FOR ANY OTHER CLAIM RELATING  
25 TO THE SEIZURE AND ATTACHMENT OF THE ACCOUNT OR OTHER ACTIONS TAKEN IN  
26 COMPLIANCE WITH THIS SECTION.

27   (D)   (1)   WITHIN 2 DAYS AFTER THE ADMINISTRATION HAS RECEIVED THE  
28 RETURN RECEIPT FROM THE NOTICE SENT TO THE FINANCIAL INSTITUTION UNDER  
29 SUBSECTION (B) OF THIS SECTION, THE ADMINISTRATION SHALL PROMPTLY SEND A  
30 NOTICE TO THE OBLIGOR, BY REGULAR MAIL, TO THE OBLIGOR'S LAST KNOWN  
31 ADDRESS, OR IF THE HOME ADDRESS IS NOT KNOWN, TO THE PLACE OF LAST KNOWN  
32 EMPLOYMENT.

33           (2)   THE NOTICE SHALL CONTAIN THE FOLLOWING INFORMATION, TO  
34 THE EXTENT KNOWN BY THE ADMINISTRATION:

35                   (I)   THE ADDRESS OF THE ADMINISTRATION;

36                   (II)   THE TELEPHONE NUMBER, ADDRESS, AND NAME OF A  
37 CONTACT PERSON AT THE ADMINISTRATION;

38                   (III)   THE NAME AND SOCIAL SECURITY NUMBER OR OTHER  
39 TAXPAYER IDENTIFICATION NUMBER OF THE OBLIGOR;

- 1 (IV) THE ADDRESS OF THE OBLIGOR;
- 2 (V) FOR EACH ACCOUNT OF THE OBLIGOR, THE OBLIGOR'S  
3 ACCOUNT NUMBER AND KNOWN BALANCES WITH THE FINANCIAL INSTITUTION;
- 4 (VI) THE TOTAL AMOUNT OF THE ARREARAGE OWED BY THE  
5 OBLIGOR;
- 6 (VII) THE DATE THE NOTICE IS BEING SENT;
- 7 (VIII) A STATEMENT INFORMING THE OBLIGOR THAT THE  
8 ADMINISTRATION HAS DIRECTED THE FINANCIAL INSTITUTION TO SEIZE AND  
9 ATTACH THE AMOUNT OF THE ARREARAGE OWED BY THE OBLIGOR FROM ONE OR  
10 MORE OF THE ACCOUNTS OF THE OBLIGOR AND, UPON SUBSEQUENT NOTICE BY THE  
11 ADMINISTRATION, TO FORWARD THE AMOUNT TO THE ADMINISTRATION; AND
- 12 (IX) A STATEMENT INFORMING THE OBLIGOR THAT, UNLESS A  
13 TIMELY CHALLENGE IS MADE TO THE ADMINISTRATION BY THE OBLIGOR OR AN  
14 ACCOUNT HOLDER OF INTEREST UNDER SUBSECTION (G) OF THIS SECTION, THE  
15 ADMINISTRATION SHALL NOTIFY THE FINANCIAL INSTITUTION TO FORWARD THE  
16 AMOUNT SEIZED AND ATTACHED BY THE FINANCIAL INSTITUTION TO THE  
17 ADMINISTRATION.
- 18 ~~(E) (1) WITHIN 2 DAYS AFTER RECEIPT OF INFORMATION FROM THE  
19 FINANCIAL INSTITUTION UNDER SUBSECTION (C) OF THIS SECTION, THE  
20 ADMINISTRATION SHALL PROMPTLY SEND A NOTICE TO ANY KNOWN ACCOUNT  
21 HOLDER OF INTEREST, BY REGULAR MAIL, TO THE ADDRESS PROVIDED BY THE  
22 FINANCIAL INSTITUTION UNDER SUBSECTION (C) OF THIS SECTION.~~
- 23 ~~(2) THE NOTICE SHALL CONTAIN THE FOLLOWING INFORMATION, TO  
24 THE EXTENT KNOWN BY THE ADMINISTRATION:~~
- 25 ~~(I) THE ADDRESS OF THE ADMINISTRATION;~~
- 26 ~~(II) THE TELEPHONE NUMBER, ADDRESS, AND NAME OF A  
27 CONTACT PERSON AT THE ADMINISTRATION;~~
- 28 ~~(III) THE NAME AND SOCIAL SECURITY NUMBER OR OTHER  
29 TAXPAYER IDENTIFICATION NUMBER OF THE OBLIGOR;~~
- 30 ~~(IV) THE ADDRESS OF THE OBLIGOR;~~
- 31 ~~(V) FOR EACH ACCOUNT OF THE OBLIGOR, THE OBLIGOR'S  
32 ACCOUNT NUMBER WITH THE FINANCIAL INSTITUTION;~~
- 33 ~~(VI) THE DATE THE NOTICE IS BEING SENT;~~
- 34 ~~(VII) A STATEMENT INFORMING THE ACCOUNT HOLDER OF  
35 INTEREST THAT THE ADMINISTRATION HAS DIRECTED THE FINANCIAL INSTITUTION  
36 TO SEIZE AND ATTACH THE AMOUNT OF THE ARREARAGE OWED BY THE OBLIGOR~~



1 FROM ONE OR MORE OF THE ACCOUNTS OF THE OBLIGOR AND, UPON SUBSEQUENT  
2 NOTICE BY THE ADMINISTRATION, TO FORWARD THE AMOUNT TO THE  
3 ADMINISTRATION; AND

4 (VIII) A STATEMENT INFORMING THE ACCOUNT HOLDER OF  
5 INTEREST THAT, UNLESS A TIMELY CHALLENGE IS MADE TO THE ADMINISTRATION  
6 BY THE OBLIGOR OR AN ACCOUNT HOLDER OF INTEREST UNDER SUBSECTION (G) OF  
7 THIS SECTION, THE ADMINISTRATION SHALL NOTIFY THE FINANCIAL INSTITUTION  
8 TO FORWARD THE AMOUNT SEIZED AND ATTACHED BY THE FINANCIAL INSTITUTION  
9 TO THE ADMINISTRATION.

10 (F) (E) IF A TIMELY CHALLENGE IS NOT MADE BY THE OBLIGOR OR AN  
11 ACCOUNT HOLDER OF INTEREST UNDER SUBSECTION (H) (G) OF THIS SECTION, THE  
12 ADMINISTRATION SHALL SEND A NOTICE TO THE FINANCIAL INSTITUTION, IN THE  
13 MANNER SPECIFIED IN SUBSECTION (B) OF THIS SECTION, DIRECTING THE  
14 INSTITUTION TO FORWARD THE AMOUNT SEIZED AND ATTACHED BY THE FINANCIAL  
15 INSTITUTION TO THE ADMINISTRATION.

16 (G) (F) THE ADMINISTRATION SHALL APPLY THE AMOUNT SEIZED AND  
17 FORWARDED BY THE FINANCIAL INSTITUTION TO THE OBLIGOR'S CHILD SUPPORT  
18 ARREARS. IF THE OBLIGOR HAS MORE THAN ONE CHILD SUPPORT CASE WITH  
19 ARREARS, THE ADMINISTRATION SHALL ALLOCATE THE AMOUNT RECEIVED AMONG  
20 ONE OR MORE OF THE OBLIGOR'S CASES, AS DETERMINED APPROPRIATE BY THE  
21 ADMINISTRATION.

22 (H) (G) (1) AN OBLIGOR OR AN ACCOUNT HOLDER OF INTEREST MAY  
23 CHALLENGE THE ACTIONS OF THE ADMINISTRATION UNDER THIS SECTION BY:

24 (I) FILING A REQUEST FOR AN INVESTIGATION WITH THE  
25 ADMINISTRATION; OR

26 (II) FILING A MOTION WITH THE CIRCUIT COURT.

27 (2) A CHALLENGE UNDER PARAGRAPH (1)(I) OF THIS SUBSECTION  
28 SHALL:

29 (I) BE IN WRITING;

30 (II) BE RECEIVED BY THE ADMINISTRATION WITHIN 30 DAYS FROM  
31 THE DATE OF THE NOTICE UNDER SUBSECTION (D) OF THIS SECTION ~~OR, IF THERE IS~~  
32 ~~AN ACCOUNT HOLDER OF INTEREST OTHER THAN THE OBLIGOR, WITHIN 30 DAYS~~  
33 ~~AFTER THE DATE OF THE NOTICE UNDER SUBSECTION (E) OF THIS SECTION;~~

34 (III) BE SENT TO THE CONTACT PERSON IDENTIFIED IN THE NOTICE  
35 SENT TO THE OBLIGOR UNDER SUBSECTION (D) OF THIS SECTION ~~OR THE NOTICE~~  
36 ~~SENT TO AN ACCOUNT HOLDER OF INTEREST UNDER SUBSECTION (E) OF THIS~~  
37 ~~SECTION; AND~~

38 (IV) SPECIFY, IN DETAIL, THE REASONS FOR THE CHALLENGE.

1 (3) AN OBLIGOR OR ACCOUNT HOLDER OF INTEREST MAY NOT  
 2 CHALLENGE THE ACTIONS OF THE ADMINISTRATION ON ISSUES RELATED TO  
 3 VISITATION, CUSTODY, OR OTHER MATTERS NOT RELATED TO AN ACCOUNT.

4 (4) AN OBLIGOR OR AN ACCOUNT HOLDER OF INTEREST MAY  
 5 CHALLENGE THE ACTIONS OF THE ADMINISTRATION BASED ON AN EXEMPTION IN §  
 6 11-504 OR § 11-603 OF THE COURTS ARTICLE OR FOR ANY OTHER GOOD CAUSE.

7 ~~(F)~~ (H) (1) UPON RECEIPT OF A CHALLENGE UNDER SUBSECTION (G) OF  
 8 THIS SECTION, THE ADMINISTRATION SHALL REVIEW THE CHALLENGE IN  
 9 ACCORDANCE WITH THIS SUBSECTION.

10 (2) ~~(F)~~ THE ADMINISTRATION SHALL RELEASE OR REDUCE THE  
 11 AMOUNT SEIZED AND ATTACHED BY THE FINANCIAL INSTITUTION FOR A MISTAKE  
 12 OF FACT, INCLUDING:

- 13 1. (I) A MISTAKE IN THE IDENTITY OF THE OBLIGOR;
- 14 2. (II) A MISTAKE IN THE OWNERSHIP OF AN ACCOUNT;
- 15 3. (III) A MISTAKE IN THE CONTENTS OF AN ACCOUNT; OR
- 16 4. (IV) A MISTAKE IN THE AMOUNT OF ARREARAGE DUE; OR
- 17 (V) ANY OTHER GOOD CAUSE.

18 ~~(H) IF AN ACCOUNT SEIZED AND ATTACHED BY THE FINANCIAL~~  
 19 ~~INSTITUTION IS A JOINT ACCOUNT, THERE IS A PRESUMPTION THAT THE CONTENTS~~  
 20 ~~BELONG TO THE OBLIGOR UNLESS REBUTTED BY CLEAR AND CONVINCING~~  
 21 ~~EVIDENCE.~~

22 (3) THE ADMINISTRATION SHALL RELEASE OR REDUCE THE AMOUNT  
 23 SEIZED AND ATTACHED BY THE FINANCIAL INSTITUTION IF THE ACCOUNT IS  
 24 EXEMPT UNDER § 11-504 OR § 11-603 OF THE COURTS ARTICLE OR FOR ANY OTHER  
 25 GOOD CAUSE.

26 ~~(F)~~ (4) THE ADMINISTRATION SHALL SEND A NOTICE TO THE  
 27 FINANCIAL INSTITUTION, IN THE MANNER SPECIFIED IN SUBSECTION (B) OF THIS  
 28 SECTION, DIRECTING THE FINANCIAL INSTITUTION TO RELEASE THE AMOUNT  
 29 SEIZED AND ATTACHED BY THE FINANCIAL INSTITUTION IF THE ADMINISTRATION  
 30 DETERMINES THAT A MISTAKE OF FACT HAS OCCURRED, THE ACCOUNT IS EXEMPT  
 31 UNDER § 11-504 OR § 11-603 OF THE COURTS ARTICLE, OR OTHER GOOD CAUSE  
 32 EXISTS.

33 ~~(F)~~ (5) THE ADMINISTRATION SHALL SEND A NOTICE TO THE  
 34 FINANCIAL INSTITUTION, IN THE MANNER SPECIFIED IN SUBSECTION (B) OF THIS  
 35 SECTION, DIRECTING THE FINANCIAL INSTITUTION TO REDUCE THE AMOUNT  
 36 SEIZED AND ATTACHED TO THE REVISED AMOUNT STATED AND TO RELEASE THE  
 37 EXCESS AMOUNT IF THE ADMINISTRATION DETERMINES THAT:

1 (I) THE AMOUNT OWED BY THE OBLIGOR IS LESS THAN THE  
 2 AMOUNT ORIGINALLY INDICATED ON THE NOTICE UNDER SUBSECTION (B) OF THIS  
 3 SECTION; ~~OR~~

4 (II) THE OBLIGOR DOES NOT HAVE AN OWNERSHIP INTEREST IN  
 5 ONE OR MORE OF THE ACCOUNTS SEIZED AND ATTACHED OR A PORTION THEREOF;  
 6 OR

7 (III) THE ACCOUNT OR A PORTION OF THE ACCOUNT IS EXEMPT  
 8 UNDER § 11-504 OR § 11-603 OF THE COURTS ARTICLE OR OTHER GOOD CAUSE EXISTS.

9 ~~(H)~~ (I) (1) THE ADMINISTRATION SHALL SEND BY REGULAR MAIL A  
 10 NOTICE OF ITS FINDINGS, INCLUDING A FINDING OF NO MISTAKE OF FACT, TO THE  
 11 OBLIGOR AND ANY OTHER CHALLENGING PARTY.

12 (2) THE NOTICE SHALL INFORM THE OBLIGOR OR THE CHALLENGING  
 13 PARTY OF THE RIGHT TO APPEAL THE DECISION OF THE ADMINISTRATION TO THE  
 14 OFFICE OF ADMINISTRATIVE HEARINGS OR TO THE CIRCUIT COURT.

15 ~~(K)~~ (J) IF NO TIMELY APPEAL IS FILED, THE ADMINISTRATION SHALL SEND  
 16 A NOTICE TO THE FINANCIAL INSTITUTION, IN THE MANNER SPECIFIED IN  
 17 SUBSECTION (B) OF THIS SECTION, DIRECTING THE FINANCIAL INSTITUTION TO  
 18 FORWARD THE AMOUNT SPECIFIED IN THE NOTICE, INCLUDING ANY REVISED  
 19 AMOUNT UNDER SUBSECTION ~~(H)(4)~~ (H)(5) OF THIS SECTION, TO THE  
 20 ADMINISTRATION.

21 ~~(L)~~ (K) (1) AN APPEAL TO THE OFFICE OF ADMINISTRATIVE HEARINGS  
 22 AUTHORIZED UNDER SUBSECTION ~~(H)~~ (I) OF THIS SECTION SHALL BE CONDUCTED IN  
 23 ACCORDANCE WITH TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT ARTICLE.

24 ~~(2) A REQUEST FOR APPEAL UNDER SUBSECTION (J) OF THIS SECTION~~

25 (2) AN APPEAL TO THE OFFICE OF ADMINISTRATIVE HEARINGS SHALL  
 26 BE:

27 (I) IN WRITING; AND

28 (II) RECEIVED BY THE OFFICE OF ADMINISTRATIVE HEARINGS  
 29 WITHIN 30 DAYS AFTER THE NOTICE IS SENT TO THE OBLIGOR OR OTHER  
 30 CHALLENGING PARTY UNDER SUBSECTION ~~(H)~~ (I) OF THIS SECTION.

31 ~~(M)~~ (L) AFTER THE COMPLETION OF AN APPEAL TO THE OFFICE OF  
 32 ADMINISTRATIVE HEARINGS AUTHORIZED UNDER SUBSECTION ~~(H)~~ (I) OF THIS  
 33 SECTION, THE ADMINISTRATION SHALL:

34 (1) SEND A NOTICE TO THE FINANCIAL INSTITUTION, IN THE MANNER  
 35 SPECIFIED IN SUBSECTION (B) OF THIS SECTION, DIRECTING THE FINANCIAL  
 36 INSTITUTION TO RELEASE THE AMOUNT SEIZED AND ATTACHED BY THE FINANCIAL  
 37 INSTITUTION IF THE OFFICE OF ADMINISTRATIVE HEARINGS FINDS THAT:

1 (I) THERE IS A MISTAKE OF IDENTITY;

2 (II) THE OBLIGOR DOES NOT HAVE AN OWNERSHIP INTEREST IN  
3 THE CONTENTS OF ANY ACCOUNT HELD; OR

4 (III) THERE IS NO ARREARAGE;

5 (2) SEND A NOTICE TO THE FINANCIAL INSTITUTION, IN THE MANNER  
6 SPECIFIED IN SUBSECTION (B) OF THIS SECTION, DIRECTING THE FINANCIAL  
7 INSTITUTION TO RELEASE THE ATTACHMENT ON ANY AMOUNT IN EXCESS OF THE  
8 REVISED AMOUNT STATED AND THAT THE REVISED AMOUNT STATED BE  
9 FORWARDED TO THE ADMINISTRATION IF THE OFFICE OF ADMINISTRATIVE  
10 HEARINGS FINDS THAT:

11 (I) THE OBLIGOR IS DELINQUENT, BUT THE AMOUNT OF THE  
12 ARREARAGE IS LESS THAN THE AMOUNT INDICATED IN THE NOTICE UNDER  
13 SUBSECTION (B) OF THIS SECTION OR IN A SUBSEQUENT NOTICE UNDER  
14 SUBSECTION ~~(4)~~ (H) ~~(5)~~ OF THIS SECTION; OR

15 (II) THE OBLIGOR DOES NOT HAVE OWNERSHIP INTEREST IN ONE  
16 OR MORE OF THE ACCOUNTS SEIZED AND ATTACHED OR A PORTION OF THE  
17 ACCOUNTS; OR

18 (3) SEND A NOTICE TO THE FINANCIAL INSTITUTION, IN THE MANNER  
19 SPECIFIED IN SUBSECTION (B) OF THIS SECTION, DIRECTING THE FINANCIAL  
20 INSTITUTION TO TRANSFER THE AMOUNTS SEIZED AND ATTACHED TO THE  
21 ADMINISTRATION IF THE OFFICE OF ADMINISTRATIVE HEARINGS UPHOLDS THE  
22 DETERMINATION OF THE ADMINISTRATION.

23 ~~(N)~~ (M) (1) A CHALLENGING PARTY MAY WITHDRAW ~~A REQUEST FOR AN~~  
24 ADMINISTRATIVE CHALLENGE OR APPEAL BY SUBMITTING A NOTICE OF THE  
25 WITHDRAWAL TO THE PERSON IDENTIFIED AS THE CONTACT PERSON FOR THE  
26 ADMINISTRATION IN THE NOTICE UNDER SUBSECTION (D) ~~OR SUBSECTION (E)~~ OF  
27 THIS SECTION, OR TO THE OFFICE OF ADMINISTRATIVE HEARINGS.

28 (2) THE ADMINISTRATION MAY WITHDRAW THE NOTICE TO ATTACH  
29 ACCOUNTS BY SENDING NOTICE TO THE FINANCIAL INSTITUTION, IN THE MANNER  
30 SPECIFIED IN SUBSECTION (B) OF THIS SECTION, DIRECTING THE FINANCIAL  
31 INSTITUTION TO RELEASE THE ATTACHMENT ON THE ACCOUNT.

32 ~~(O)~~ (N) IF A DETERMINATION IS MADE BY THE ADMINISTRATION OR BY THE  
33 OFFICE OF ADMINISTRATIVE HEARINGS THAT THE ACCOUNT OR ACCOUNTS OF THE  
34 OBLIGOR SHOULD NOT HAVE BEEN HELD, THE ADMINISTRATION SHALL NOTIFY THE  
35 FINANCIAL INSTITUTION, IN THE MANNER SPECIFIED IN SUBSECTION (B) OF THIS  
36 SECTION, TO RELEASE THE AMOUNT SEIZED AND ATTACHED BY THE FINANCIAL  
37 INSTITUTION.

38 ~~(P)~~ (O) A FINANCIAL INSTITUTION THAT COMPLIES WITH A REQUEST OR  
39 NOTICE FROM THE ADMINISTRATION MADE UNDER THIS SECTION IS NOT LIABLE  
40 UNDER STATE LAW TO ANY PERSON FOR:

1 (1) ANY DISCLOSURE OF INFORMATION TO THE ADMINISTRATION  
2 UNDER THIS SECTION;

3 (2) SEIZING AND ATTACHING ANY AMOUNTS FROM AN ACCOUNT,  
4 SENDING ANY AMOUNT SEIZED AND ATTACHED BY THE FINANCIAL INSTITUTION TO  
5 THE ADMINISTRATION, OR RELEASING ALL OR A PART OF THE AMOUNT SEIZED AND  
6 ATTACHED BY THE FINANCIAL INSTITUTION; OR

7 (3) ANY OTHER ACTION TAKEN IN GOOD FAITH TO COMPLY WITH THE  
8 REQUIREMENTS OF THIS SECTION.

9 ~~(Q)~~ (P) (1) NOTWITHSTANDING ANY OTHER STATUTORY PROVISIONS OR  
10 RULES OF COURT THAT PROVIDE FOR THE EXECUTION, ATTACHMENT,  
11 GARNISHMENT, OR LEVY AGAINST AN ACCOUNT, AND SUBJECT TO PARAGRAPH (2) OF  
12 THIS SUBSECTION, THE ADMINISTRATION MAY UTILIZE THE PROCEDURES  
13 ESTABLISHED IN THIS SECTION EXCLUSIVELY TO COLLECT DELINQUENT CHILD  
14 SUPPORT.

15 (2) THIS SECTION MAY NOT BE CONSTRUED TO PROHIBIT THE  
16 ADMINISTRATION FROM COLLECTING DELINQUENT CHILD SUPPORT IN ANY OTHER  
17 MANNER AUTHORIZED BY LAW.

18 10-108.4.

19 (A) IF THE ADMINISTRATION INSTITUTES AN ACTION UNDER § 10-108.3(A) OF  
20 THIS SUBTITLE AND NO OBLIGOR HAS ANY OWNERSHIP INTEREST IN A SEIZED  
21 ACCOUNT AT THE TIME THE ADMINISTRATION INSTITUTES THE ACTION, THE  
22 ADMINISTRATION SHALL REIMBURSE THE ACCOUNT HOLDERS OF INTEREST FOR  
23 FEES INCURRED AS A RESULT OF INSTITUTING THE ACTION, INCLUDING:

24 (1) FEES ASSESSED BY THE FINANCIAL INSTITUTION AS A RESULT OF  
25 THE ADMINISTRATION'S ACTION;

26 (2) FEES ASSESSED BY THE FINANCIAL INSTITUTION FOR  
27 INSUFFICIENT FUNDS;

28 (3) FEES ASSESSED BY MERCHANTS FOR DISHONORED CHECKS; AND

29 (4) REASONABLE ATTORNEY'S FEES INCURRED BY THE ACCOUNT  
30 HOLDERS OF INTEREST RELATED TO AN ADMINISTRATIVE OR JUDICIAL REVIEW OF  
31 THE ADMINISTRATION'S DECISION TO INSTITUTE THE ACTION.

32 (B) AN ACCOUNT HOLDER OF INTEREST WHO WISHES TO REQUEST  
33 REIMBURSEMENT UNDER THIS SECTION SHALL FILE A WRITTEN REQUEST WITHIN  
34 60 DAYS AFTER THE ACCOUNT IS SEIZED. THE REQUEST SHALL INCLUDE COPIES OF  
35 THE NOTICES OR OTHER PROOF OF THE ASSESSMENT OF FEES FOR WHICH  
36 REIMBURSEMENT IS SOUGHT.

37 (C) THE ADMINISTRATION IS NOT REQUIRED TO REIMBURSE AN ACCOUNT  
38 HOLDER OF INTEREST FOR FEES INCURRED IF:

1 (1) THE ACCOUNT HOLDER OF INTEREST FAILS TO MAKE A REQUEST  
2 FOR REIMBURSEMENT WITHIN 60 DAYS AFTER THE ACCOUNT WAS SEIZED;

3 (2) THE ACCOUNT HOLDER OF INTEREST FAILS TO PROVIDE PROOF OF  
4 THE ASSESSMENT OF FEES; OR

5 (3) THE FEES WERE INCURRED AS A RESULT OF A DEBIT MADE TO THE  
6 ACCOUNT AFTER THE ACCOUNT HOLDER OF INTEREST HAD ACTUAL NOTICE OF THE  
7 ACCOUNT SEIZURE.

8 (D) THIS SECTION DOES NOT APPLY TO FEES INCURRED AS A RESULT OF A  
9 JUDICIAL GARNISHMENT.

10 (E) A FINANCIAL INSTITUTION HAS NO OBLIGATION TO REIMBURSE FEES  
11 ASSESSED AS A RESULT OF THE ADMINISTRATION INSTITUTING AN ACTION UNDER §  
12 10-108.3 OF THIS SUBTITLE OR AS OTHERWISE PERMITTED BY LAW OR AUTHORIZED  
13 BY CONTRACT.

#### 14 **Article - Financial Institutions**

15 1-302.

16 Except as otherwise expressly provided in this subtitle, a fiduciary institution,  
17 its officers, employees, agents, and directors:

18 (1) May not disclose to any person any financial record relating to a  
19 customer of the institution unless:

20 (i) The customer has authorized the disclosure to that person;

21 (ii) Proceedings have been instituted for appointment of a guardian  
22 of the property or of the person of the customer, and court-appointed counsel presents  
23 to the fiduciary institution an order of appointment or a certified copy of the order  
24 issued by or under the direction or supervision of the court or an officer of the court;

25 (iii) The customer is disabled and a guardian is appointed or  
26 qualified by a court, and the guardian presents to the fiduciary institution an order of  
27 appointment or a certified copy of the order issued by or under the direction or  
28 supervision of the court or an officer of the court;

29 (iv) The customer is deceased and a personal representative is  
30 appointed or qualified by a court, and the personal representative presents to the  
31 fiduciary institution letters of administration issued by or under the direction or  
32 supervision of the court or an officer of the court;

33 (v) The Department of Human Resources requests the financial  
34 record in the course of verifying the individual's eligibility for public assistance; or

35 (vi) The institution received a [request or subpoena] REQUEST,  
36 NOTICE, OR SUBPOENA for information directly from the Child Support Enforcement

1 Administration of the Department of Human Resources under [§ 10-108.2 or §  
2 10-108.4] § 10-108.2, § 10-108.3, OR § 10-108.5 of the Family Law Article or indirectly  
3 through the Federal Parent Locator Service under 42 U.S.C. § 666(a)(17); and

4           (2)       Shall disclose any information requested in writing by the  
5 Department of Human Resources relative to moneys held in a savings deposit, time  
6 deposit, demand deposit, or any other deposit held by the fiduciary institution in the  
7 name of the individual who is a recipient or applicant for public assistance.

8       SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take  
9 effect October 1, 2002.