

Overview of Administrative Levy Process

Summary

Administrative levy (also known as financial account seizure) is an administrative enforcement tool that may be utilized by Wisconsin child support agencies to levy a delinquent child support payer's financial account(s).

Authority

- ◆ Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA)
- ◆ s. 49.854 of Wisconsin Act 191
- ◆ Department of Workforce Development Administrative Rule 43

Eligibility

A court case is eligible for an account seizure if all of the following criteria are met:

- ◆ The court case has a fully enforceable lien that equals or exceeds 300% of the monthly amount due and is at least \$1000, and
- ◆ There is no alternative payment plan in effect for the court case, and
- ◆ A court order has not prohibited the seizure of the financial account(s), and
- ◆ The payer has not filed for bankruptcy, and
- ◆ The sum of all the payer's financial accounts is greater than \$500, and
- ◆ There is a verified address for the payer. Or, there is not a verified address for the payer and the child support agency has attempted to locate the payer for at least sixty days.

Seizure Process

When a decision is made to pursue the seizure of a delinquent payer's financial account, the following steps are taken:

- ◆ The financial institution is instructed to freeze the payer's financial account.
- ◆ The payer and all joint account holders are notified that the account has been frozen and they are informed of their due process rights.
- ◆ The payee is notified of the action if the payee or child in the payer's case may be harmed physically or emotionally or if the payee has made a written request to be notified of all administrative enforcement actions.
- ◆ After all due process has been exhausted, the financial institution is instructed to send the frozen funds to the Wisconsin Support Collections Trust Fund for processing.

Avoiding a Seizure

A delinquent payer may avoid the seizure of an account if any of the following occurs:

- ◆ The payer may enter into an alternative payment arrangement with the child support agency, or
- ◆ The payer may pay the court case lien in full, or
- ◆ The payer may file for bankruptcy, or
- ◆ A court may bar the seizure of an account.