

§ 110-144. Administrative Offset Program.

(a) Participation. – The Department of Health and Human Services shall participate in the federal Administrative Offset Program for the offset of certain federal payments under 31 C.F.R. § 285.1.

(b) Certification. – The Department shall annually certify to the federal Office of Child Support Enforcement (OCSE) an obligor in a IV-D case whose support arrears are (i) equal to or greater than one hundred fifty dollars (\$150.00) if the arrears are assigned to the State and (ii) equal to or greater than five hundred dollars (\$500.00) if the arrears are not assigned to the State.

(c) Notice. – At least 30 days before certification, the Department shall send written notice of the certification to the obligor at the obligor's last known address. The notice shall advise the obligor of all of the following:

- (1) The amount of the arrears as of the date of the notice.
- (2) The possibility that the obligor may have certain federal payments offset by FMS.
- (3) The procedures to contest the certification.

Without further notice to the obligor, the Department shall provide OCSE with updates to adjust the amount of arrears to reflect any payments or additional arrears that accrue after the date of certification.

(d) Appeal. – Within 60 days of the date the notice is placed in the mail to the obligor, the obligor may file a contested case petition with the North Carolina Office of Administrative Hearings to contest the certification. The contested case shall be conducted in accordance with Article 3 of Chapter 150B of the General Statutes. The obligor may contest the certification only if either of the following applies:

- (1) The amount of arrears stated in the notice is incorrect.
- (2) There is a claim of mistaken identity. (2023-65, s. 7.3(c).)