

**Fifty-sixth Legislative Assembly, State of North Dakota, begun in the Capitol in the City of Bismarck, on Tuesday, the fifth day of January, one thousand nine hundred and ninety-nine**

SENATE BILL NO. 2287  
(Senator W. Stenehjem)  
(Representatives R. Kelsch, Mahoney, Wentz)

AN ACT to create and enact a new section to chapter 28-20 of the North Dakota Century Code, relating to application of a partial payment on a judgment; to amend and reenact subsection 6 of section 14-09-25 of the North Dakota Century Code, relating to partial payments on child support arrears; and to provide for retroactive application.

**BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

**SECTION 1. AMENDMENT.** Subsection 6 of section 14-09-25 of the North Dakota Century Code is amended and reenacted as follows:

6. ~~The Notwithstanding section 2 of this Act, the state disbursement unit shall disburse collected child support payments in conformity with title IV-D of the Social Security Act [Pub. L. 93-647; 88 Stat. 2351; 42 U.S.C. 651 et seq.]. Interest accrued on unpaid judgments for child support is child support. To the extent consistent with the requirements of title IV-D, payments received on judgments for child support must first be applied to accrued interest, and then to the principal.~~

**SECTION 2.** A new section to chapter 28-20 of the North Dakota Century Code is created and enacted as follows:

**Application of partial payments on judgments.** A partial payment made on a judgment must be applied first to post-judgment costs. If the payment exceeds the costs, the excess amount must be applied toward satisfying the interest due. If the payment exceeds the costs and interest, the excess amount must be applied toward discharging the judgment amount, and the subsequent interest is to be computed on the balance of the judgment amount remaining due. If the payment falls short of satisfying the costs and interest, interest continues to accrue on the former judgment amount until a payment is made that exceeds the sum of the costs and interest due at the time of payment, and then the excess amount must be applied toward discharging the judgment amount, and interest accrues thereafter on the balance of the judgment amount remaining due. This section does not apply to the collection of any debt owed to the state or a political subdivision.

**SECTION 3. RETROACTIVE APPLICATION OF ACT.** This Act applies to each partial payment made on or after the effective date of this Act.

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

\_\_\_\_\_  
Secretary of the Senate

\_\_\_\_\_  
Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Fifty-sixth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2287.

Senate Vote:    Yeas    46        Nays    0        Absent    3

House Vote:    Yeas    97        Nays    1        Absent    0

\_\_\_\_\_  
Secretary of the Senate

Received by the Governor at \_\_\_\_\_ M. on \_\_\_\_\_, 1999.

Approved at \_\_\_\_\_ M. on \_\_\_\_\_, 1999.

\_\_\_\_\_  
Governor

Filed in this office this \_\_\_\_\_ day of \_\_\_\_\_, 1999,

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary of State