

205.772 Data match agreements between cabinet and financial institutions -- Surrender of assets when parent is subject to lien -- Fee -- Financial institutions not liable. (Effective until July 1, 2025)

- (1) Financial institutions doing business in the Commonwealth shall enter into cooperative agreements with the cabinet or its designee to operate a data match system. Pursuant to the agreements, the financial institution shall be required to provide identifying information each calendar quarter for each obligated parent who maintains an account at the institution and who owes an arrearage, and who shall be identified by the cabinet.
- (2) The cooperative agreement shall include provisions for financial institutions to encumber or surrender assets held by the institutions on behalf of any obligated parent who is subject to a child support lien pursuant to KRS 205.778.
- (3) The financial institution shall be paid a fee for conducting data matches from the obligor's account, not to exceed the actual cost.
- (4) No liability shall arise for the Commonwealth or the financial institution under this section with respect to any disclosure of financial records for the establishment, modification, or enforcement of a child support obligation of the individual.
- (5) The financial institution shall not be liable for encumbering or surrendering any assets held by such financial institution in response to a notice of lien or levy issued by the cabinet, for any other action taken in good faith to comply with the requirement of this section.
- (6) "Financial institution" means:
 - (a) A depository institution and an institution-affiliated party as defined by 12 U.S.C. sec. 1813(c) and (u);
 - (b) Any federal or state credit union, including an institution-affiliated party of that credit union, as defined by 12 U.S.C. sec. 1752 and 12 U.S.C. sec. 1786(r);
 - (c) Any benefit association, insurance company, safe deposit company, money market mutual fund, brokerage firm, trust company, or similar entity authorized to do business in the Commonwealth.
- (7) The cabinet may promulgate administrative regulations to implement the requirements of this section.

Effective: July 15, 1998

History: Created 1998 Ky. Acts ch. 255, sec. 42, effective July 15, 1998.