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HOUSE BILL NO. 440

Offered January 14, 2026

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A BILL to amend and reenact §§ 46.2-417, 46.2-421, 46.2-422, 46.2-423, 46.2-427, 63.2-1916, and 63.2-1941 of the Code of Virginia and to repeal § 46.2-320.1 of the Code of Virginia, relating to suspension of driver's licenses; child support and certain unsatisfied judgements; repealed.

Patron—Mehta

Committee Referral Pending

Be it enacted by the General Assembly of Virginia:

1. That §§ 46.2-417, 46.2-421, 46.2-422, 46.2-423, 46.2-427, 63.2-1916, and 63.2-1941 of the Code of Virginia are amended and reenacted as follows:

§ 46.2-417. Suspension for failure to satisfy motor vehicle accident judgment; exceptions; insurance in liquidated company; insurer obligated to pay judgment.

A. Upon the application of any judgment creditor, the Commissioner shall suspend ~~the driver's license and~~ all of the registration certificates and license plates of any person who has failed for 30 days to satisfy any judgment (i) in an amount and on a cause of action as hereinafter stated in this subsection or (ii) in an amount and on a cause of action pursuant to § 15.2-1716 or 15.2-1716.1, immediately upon receiving an authenticated judgment order or abstract thereof in an action for damages in a motor vehicle accident or pursuant to § 15.2-1716 or 15.2-1716.1, if the order or abstract is received by the Commissioner within 10 years of the date of judgment or if the judgment has been revived. However, if judgment is marked satisfied on the court records on or before the Commissioner's issuance of suspension, the order of suspension shall be invalid.

~~B. The Commissioner shall not, however, suspend the license of an owner or driver if the insurancee carried by him was in a company which was authorized to transact business in this Commonwealth and which subsequent to an accident involving the owner or driver and prior to settlement of the claim therefor went into liquidation, so that the owner or driver is thereby unable to satisfy the judgment arising out of the accident.~~

~~C. The Commissioner shall not suspend the driver's license or driving privilege or any registration certificate, license plates, or decals under clause (i) of subsection A or § 46.2-418, if the Commissioner finds that an insurer authorized to do business in the Commonwealth was obligated to pay the judgment upon which suspension is based, or that a policy of the insurer covers the person subject to the suspension, if the insurer's obligation or the limits of the policy are in an amount sufficient to meet the minimum amounts required by § 46.2-472, even though the insurer has not paid the judgment for any reason. A finding by the Commissioner that an insurer is obligated to pay a judgment, or that a policy of an insurer covers the person, shall not be binding upon the insurer and shall have no legal effect whatever except for the purpose of administering this article. Whenever in any judicial proceeding it is determined by any final judgment, decree, or order that an insurer is not obligated to pay the judgment, the Commissioner, notwithstanding any contrary finding made by him, forthwith shall suspend the driver's license or driving privilege, or any registration card, license plates, or decals of any person against whom the judgment was rendered, as provided in subsection A.~~

~~D. C. Any suspensions timely requested by any judgment creditor under subsection A and issued by the Commissioner shall not extend (i) beyond 10 years from the date of judgment for any civil judgment obtained in a general district court, unless the judgment creditor notifies the Commissioner that an extension has been granted as provided in subdivision B 4 of § 16.1-69.55 or (ii) beyond 20 years from the date of judgment for any civil judgment obtained in a circuit court, unless the judgment creditor notifies the Commissioner that an extension has been granted as provided in § 8.01-251. The expiration of such suspension shall not relieve the judgment debtor of complying with the requirements of proof of financial responsibility pursuant to subsection B of § 46.2-411 and the reinstatement fees pursuant to subsections C and F of § 46.2-411 after the judgment debtor becomes eligible for restoration of his driving privileges.~~

§ 46.2-421. Effect of order for such payment and proof of financial responsibility.

The Commissioner shall not suspend a ~~license or~~ registration of a motor vehicle and shall restore any ~~license or~~ registration suspended following nonpayment of a judgment, if the judgment debtor obtains an order from the court in which the judgment was rendered permitting payment of the judgment in installments and if the judgment debtor gives proof of his financial responsibility in the future as provided in this chapter.

§ 46.2-422. Suspension on failure to pay installments.

If the judgment debtor fails to pay any installment as permitted by the order of the court, then on notice of default, the Commissioner shall forthwith suspend the ~~driver's license~~, registration cards, and license plates of

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HB440

the judgment debtor until the judgment is satisfied as provided in this chapter. The judgment debtor may apply, after due notice to the judgment creditor, to the court which allowed installment payment of the judgment, within thirty days after the default, for resumption of the privilege of paying the judgment in installments, if past-due installments are first paid.

§ 46.2-423. Creditor's consent to license notwithstanding default in payment.

If the judgment creditor consents in writing, in whatever form the Commissioner prescribes, that the judgment debtor be allowed a ~~driver's license~~ and motor vehicle registration, the Commissioner may allow the same, notwithstanding default in the payment of the judgment or any installment thereof, for six months from the date of consent and thereafter until it is revoked in writing, if the judgment debtor furnishes proof of his financial responsibility in the future as provided in this chapter.

§ 46.2-427. When suspensions to remain effective; relief from furnishing proof of financial responsibility; prohibition against registration in name of another person.

The suspension required by the provisions of § 46.2-417 shall continue except as otherwise provided by §§ 46.2-421 and 46.2-423 until the person satisfies the judgment or judgments as prescribed in § 46.2-419 and gives proof of his financial responsibility in the future. However, the judgment debtor whose ~~driving privileges~~ registration certificates; and license plates have been so suspended may petition the court that entered the judgment for reinstatement of his ~~driving privileges~~, registration certificates; and license plates and the court may order reinstatement if the judgment has not been satisfied, provided the judgment debtor proves by a preponderance of the evidence that the judgment debtor (i) is unable, after examination of the records of the Department and the court reflecting that suspension and the exercise of due diligence, to locate the person to whom payment is due or, if the person to whom payment is due is dead, the judgment debtor is unable to identify either who are his heirs and assignees, or where they are located, and (ii) has paid into the court an amount equal to the judgment, court costs, and all interest that has accrued up to the date payment was made to the court. Any payment made to the court under this section shall be held for one year and, if unclaimed by the judgment creditor during that period, shall be transmitted by the court to the State Treasurer or his designee to be disposed of pursuant to the Virginia Disposition of Unclaimed Property Act (§ 55.1-2500 et seq.).

Upon receipt of such an order, the Commissioner shall reinstate the ~~driving privileges~~, registration certificates; and license plates of the judgment debtor, provided the judgment debtor has given proof of his financial responsibility in the future and satisfied all other reinstatement requirements as provided in this chapter.

~~Notwithstanding the provisions of this article, a judgment debtor whose driving privileges have been suspended pursuant to this article may petition the court that entered the judgment for a restricted license to operate a motor vehicle during the period of suspension and the court may, for good cause shown, order the issuance of such restricted license for any of the purposes set forth in subsection E of § 18.2-271.1. Such restricted license shall be carried at all times while operating a motor vehicle. Any person who operates a motor vehicle in violation of any restrictions imposed pursuant to this section shall be punished as provided in § 46.2-301. No restricted license issued pursuant to this section shall permit any person to operate a commercial motor vehicle as defined in the Virginia Commercial Driver's License Act (§ 46.2-341.1 et seq.).~~

The motor vehicle involved in the accident on which the suspension under § 46.2-417 is based shall not be registered in the name of any other person when the Commissioner has reasonable grounds to believe that the registration of the vehicle will have the effect of defeating the purpose of the chapter and no other motor vehicle shall be registered; ~~and no driver's license or learner's permit shall be issued in the name of the person suspended~~; except as prescribed in § 46.2-437 until the suspension is terminated.

This section shall not relieve any person from giving or maintaining proof of his financial responsibility when he is required so to do for some reason rather than having been involved in a motor vehicle accident.

§ 63.2-1916. Notice of administrative support order; contents; hearing; modification.

The Commissioner may proceed against a noncustodial parent whose support debt has accrued or is accruing based upon subrogation to, assignment of, or authorization to enforce a support obligation. Such obligation may be created by a court order for support of a child or child and spouse or decree of divorce ordering support of a child or child and spouse. In the absence of such a court order or decree of divorce, the Commissioner may, pursuant to this chapter, proceed against a person whose support debt has accrued or is accruing based upon payment of public assistance or who has a responsibility for the support of any dependent child or children and their custodial parent. The administrative support order shall also provide that support shall continue to be paid for any child over the age of 18 who is (i) a full-time high school student, (ii) not self-supporting, and (iii) living in the home of the parent seeking or receiving child support, until such child reaches the age of 19 or graduates from high school, whichever comes first. The Commissioner shall initiate proceedings by issuing notice containing the administrative support order which shall become effective unless timely contested. The notice shall be served upon the debtor (a) in accordance with the provisions of § 8.01-296, 8.01-327 or 8.01-329 or (b) by certified mail, return receipt requested, or by electronic means, or the debtor may accept service by signing a formal waiver. A copy of the notice shall be provided to the obligee. The notice shall include the following:

1. A statement of the support debt or obligation accrued or accruing and the basis and authority under which the assessment of the debt or obligation was made. The initial administrative support order shall be effective on the date of service and the first monthly payment shall be due on the first of the month following the date of service and the first of each month thereafter. A modified administrative support order shall be effective the date that notice of the review is served on the nonrequesting party, and the first monthly payment shall be due on the first day of the month following the date of such service and on the first day of each month thereafter. In addition, an amount shall be assessed for the partial month between the effective date of the order and the date that the first monthly payment is due. The assessment for the initial partial month shall be prorated from the effective date through the end of that month, based on the current monthly obligation. All payments are to be credited to current support obligations first, with any payment in excess of the current obligation applied to arrearages, if any;

2. A statement of the name, date of birth, and last four digits of the social security number of the child or children for whom support is being sought;

3. A statement that support shall continue to be paid for any child over the age of 18 who is (i) a full-time high school student, (ii) not self-supporting, and (iii) living in the home of the party seeking or receiving child support, until such child reaches the age of 19 or graduates from high school, whichever comes first;

4. A demand for immediate payment of the support debt or obligation or, in the alternative, a demand that the debtor file an answer with the Commissioner within 10 days of the date of service of the notice stating his defenses to liability;

5. If known, the full name, date of birth, and last four digits of the social security number of each parent of the child; however, when a protective order has been issued or the Department otherwise finds reason to believe that a party is at risk of physical or emotional harm from the other party, only the name of the party at risk shall be included in the order;

6. A statement that if no answer is made on or before 10 days from the date of service of the notice, the administrative support order shall be final and enforceable, and the support debt shall be assessed and determined subject to computation, and is subject to collection action;

7. A statement that the debtor may be subject to mandatory withholding of income, the interception of state or federal tax refunds, interception of payments due to the debtor from the Commonwealth, notification of arrearage information to consumer reporting agencies, passport denial or suspension, or incarceration and that the debtor's property will be subject to lien and foreclosure, distraint, seizure and sale, an order to withhold and deliver, or withholding of income;

8. A statement that the parents shall keep the Department informed regarding access to health insurance coverage and health insurance policy information and a statement that health care coverage shall be required for the parents' dependent children if available at reasonable cost as defined in § 63.2-1900, or pursuant to subsection A of § 63.2-1903. If a child is enrolled in Department-sponsored health care coverage, the Department shall collect the cost of the coverage pursuant to subsection E of § 20-108.2;

9. A statement of each party's right to appeal and the procedures applicable to appeals from the decision of the Commissioner;

10. A statement that the obligor's income shall be immediately withheld to comply with this order unless the obligee, or the Department, if the obligee is receiving public assistance, and obligor agree to an alternative arrangement;

11. A statement that any determination of a support obligation under this section creates a judgment by operation of law and as such is entitled to full faith and credit in any other state or jurisdiction;

12. A statement that each party shall give the Department written notice of any change in his address, including email address, or phone number, including cell phone number, within 30 days;

13. A statement that each party shall keep the Department informed of (i) the name, telephone number, and address of his current employer; (ii) any change to his employment status; and (iii) if he has filed a claim for or is receiving benefits under the provisions of Title 60.2. The statement shall further specify that any such change in employment status or filing of a claim shall be communicated to the Department in writing within 30 days of such change or filing;

14. A statement that if any arrearages for child support, including interest or fees, exist at the time the youngest child included in the order emancipates, payments shall continue in the total amount due (current support plus amount applied toward arrearages) at the time of emancipation until all arrearages are paid;

15. A statement that a petition may be filed for suspension of any license, certificate, registration, or other authorization to engage in a profession, trade, business, occupation, or recreational activity issued by the Commonwealth to a parent as provided in § 63.2-1937 upon a delinquency for a period of 90 days or more or in amount of \$5,000 or more. The order shall indicate whether either or both parents currently hold such an authorization and, if so, the type of authorization held; and

16. A statement that the Department of Motor Vehicles may suspend or refuse to renew the driving privileges of any person upon receipt of notice from the Department of Social Services that the person (i) is delinquent in the payment of child support by 90 days or in an amount of \$5,000 or more or (ii) has failed to comply with a subpoena, summons, or warrant relating to paternity or child support proceedings; and

183 ~~17.~~ A statement that on and after July 1, 1994, the Department of Social Services, as provided in
184 § 63.2-1921 and in accordance with § 20-108.2, may initiate a review of the amount of support ordered by
185 any court.

186 If no answer is received by the Commissioner within 10 days of the date of service or acceptance, the
187 administrative support order shall be effective as provided in the notice. The Commissioner may initiate
188 collection procedures pursuant to this chapter, Chapter 11 (§ 16.1-226 et seq.) of Title 16.1 or Title 20. The
189 debtor and the obligee have 10 days from the date of receipt of the notice to file an answer with the
190 Commissioner to exercise the right to an administrative hearing.

191 Any changes in the amount of the administrative order must be made pursuant to this section. In no event
192 shall an administrative hearing alter or amend the amount or terms of any court order for support or decree of
193 divorce ordering support. No administrative support order may be retroactively modified, but may be
194 modified from the date that notice of the review has been served on the nonrequesting party. Notice of each
195 review shall be served on the nonrequesting party (1) in accordance with the provisions of § 8.01-296,
196 8.01-327, or 8.01-329, (2) by certified mail, return receipt requested, (3) by electronic means, or (4) by the
197 nonrequesting party executing a waiver. The existence of an administrative order shall not preclude either an
198 obligor or obligee from commencing appropriate proceedings in a juvenile and domestic relations district
199 court or a circuit court.

200 **§ 63.2-1941. Additional enforcement remedies.**

201 In addition to its other enforcement remedies, the Division of Child Support Enforcement is authorized to:
202 ~~1. Attach~~ *attach* unemployment benefits through the Virginia Employment Commission pursuant to
203 § 60.2-608 and workers' compensation benefits through the Workers' Compensation Commission pursuant to
204 § 65.2-531; ~~and~~

205 ~~2. Suspend an individual's driving privileges pursuant to § 46.2-320.1.~~

206 **2. That § 46.2-320.1 of the Code of Virginia is repealed.**