

Default Fee Fact Sheet

▶ What is the default fee?

As soon as a maintenance order or agreement is filed with the Family Maintenance Enforcement Program, we are responsible under the *Family Maintenance Enforcement Act* for monitoring and enforcing that order.

That means we have the authority to take certain actions to make sure the person who is

supposed to pay maintenance (called the payor) makes his or her maintenance payments on time and in full.

One of those actions is the default fee – a penalty we are required by law to charge all payors if they miss or are late on two payments within the same calendar year.

▶ How much is the default fee? Who does it go to?

The default fee is equal to one month's maintenance, to a maximum of \$400.00.

The fee goes to the BC government, not to the person receiving maintenance (called the recipient), to provide an extra incentive for payors to make their payments on time, and

to help the government cover the costs of operating this program.

The government will collect the default fee only after the payor has made all required maintenance payments to the recipient.

▶ How does the payor know about the default fee?

Fifteen days after a payor misses a payment, we will send out an urgent notice telling the payor that he or she has missed or is late with a payment, and is now in default. This notice tells the payor about the default fee, and asks the payor to fill out a Default Form if he or she believes our records are out of date or had a valid reason for missing the payment.

If we determine that our records are correct (or we do not hear at all from the payor), and the payor misses a second payment within the same calendar year, we will send the payor a Default Fee Certificate. This certificate is a Court document, declaring that the payor now owes the default fee in addition to regular maintenance payments.

▶ What happens if your records are not up-to-date or the payor had a valid reason for missing the payment?

If we determine that:

- the payor did indeed make the payment on time
- the payor made the payment through payroll deduction, but his or her employer did not send it in on time
- the Court order or agreement requiring the payor to make maintenance

payments ended or was changed to a different amount and/or a different due date, and we did not yet know about it, or

- the payor had a valid reason for missing the payment

we will withdraw the Default Notice.

▶ What are valid reasons for a missed or late payment?

Two reasons for a missed or late payment are considered valid under the law:

1. The payor was receiving income assistance on the date the payment was due.
2. The payor was not able to make the payment on the due date owing to

circumstances beyond his or her control, such as a major illness or accident, mail strike, flood or fire.

Financial hardship is not considered a valid reason for a missed or late payment.

▶ What if the payor has moved?

We will send the Default Notice to the latest address we have for the payor. Even if the payor has moved, or if we do not have an address, we are still required to charge the payor the default fee.

▶ How can I get more information about the default fee?

For pre-recorded, general information about the default fee and a variety of other subjects, please call the FMEP InfoLine:

Greater Vancouver: 604-775-0796

Greater Victoria: 250-356-5995

Elsewhere in BC: 1-800-668-3637

For more specific information about the default fee, please call an Enquiry Representative at one of our FMEP Regional Offices:

Greater Vancouver: 604-660-3281 or toll-free 1-800-663-9666

Greater Victoria: 250-356-8692 or toll-free 1-800-663-3455

Northern and Interior BC: 250-377-4450 or toll-free 1-800-663-3933

Maintenance Tips for Payors

- Make sure to mail your payments with enough time for them to arrive by the due date. (You may want to consider post-dated cheques.)
- Send your cheque or money order – made out to the recipient – to us at our Victoria office:

FMEP Payment Services
PO Box 5599
Victoria, BC V8R 6T7
- Always include your FMEP case number on your payment.
- Do not pay the recipient directly. You are required by law to send all payments to the FMEP, unless you have written approval from us to make direct payments.
- We cannot change your Court order or agreement. If you are having trouble making your scheduled maintenance payments, you have the right to try for a new Court order or agreement. In the meantime, however, we are required to make sure you pay the maintenance you owe now.
- If you have fallen behind in your payments, please contact us. We will work with you to develop a plan – fair both to you and the recipient – for paying the arrears in addition to making your regular maintenance payments.

“We Owe It To Our Children”