

Act No. 41 of 26 June 1998 concerning Cash Benefit for Parents with Small Children (Cash Benefit Act)

Chapter 1 Purpose

Section 1 Purpose of the Act

The purpose of this Act is to help parents to spend more time caring for their own children, to give them genuine freedom of choice as regards type of care for their children and to bring about greater equality in the transfers the individual family receives for child care from the State, irrespective of the child care arrangements made by the parents.

Chapter 2 Conditions for the cash benefit

Section 2 Conditions attached to the child

The cash benefit is granted for children between 1 and 3 years of age who are resident in Norway and who do not have a place or only have a part-time place at a day care care which receives State operating support, cf. section 7 third paragraph.

A child is deemed to be resident in Norway when it has spent or intends to spend more than 12 months in Norway. A temporary stay abroad of up to three months does not cut short a period of residence.

This Act does not apply to children who are in Svalbard and are members of the National Insurance Scheme in accordance with the National Insurance Act section 2-3.

Section 3 Conditions attached to the benefit recipient

The cash benefit is granted to the person with whom the child is living permanently. The benefit recipient must be resident in Norway. The rule in section 2 second and third paragraph applies correspondingly.

Section 4 Children of employees of foreign representations or other foreign administrative branches

The cash benefit is not granted for children living permanently with employees of foreign representations or other official foreign administrative branches in Norway, unless the employee in question is a Norwegian national or is resident in Norway and pays income tax to Norway. However, the cash benefit is granted for children of the spouse or common-law partner of a seconded employee of a foreign representation or other official foreign administrative branch in Norway when the spouse or partner wholly or partially supports the child and pays income tax to Norway on annual earned income exceeding twice the basic amount under the National Insurance Scheme.

Section 5 Exception in the case of rights under foreign national insurance schemes etc.

The ministry lays down regulations containing further rules on exceptions from the right to the cash benefit for children in cases where satisfactory coverage is provided from another country.

Section 6 Children in a foster home or institution

The cash benefits is not granted for children who are in a foster home or institution pursuant to the Child Welfare Services Act (No. 100 of 17 July 1992).

Chapter 3 Size and payment of the cash benefit**Section 7 Size of the cash benefit**

The cash benefit is granted in the amounts fixed by the Storting.

The cash benefit is granted at the full rate if the child does not have a place at a day care centre that receives a State operating grant.

If the child has a place at a day care centre that receives a State operating grant, and it is agreed in writing that the child will be at the day care centre on a part-time basis, the cash benefit is granted at a reduced rate as follows:

- a. At 80 per cent of the full rate when the agreed time per week is 8 hours or less
- b. At 60 per cent of the full rate when the agreed time per week is from 9 to 16 hours inclusive
- c. At 40 per cent of the full rate when the agreed time per week is from 17 to 24 hours inclusive
- d. At 20 per cent of the full rate when the agreed time per week is from 25 to 32 hours inclusive

The cash benefit is not granted if the agreed time per week at the day care centre exceeds 33 hours.

The provision of the third paragraph does not apply in cases where the parents have agreed to split the cash benefit between them in accordance with section 9 second paragraph.

Section 8 Period of benefit

The cash benefit is granted from and including the calendar month after the right to the cash benefit commences up to and including the calendar month when the right to the cash benefit ceases to apply.

The cash benefit is granted for up to three months prior to the month the application was submitted, provided the conditions for receiving the benefit were met in this period.

Section 9 Payment of the cash benefit

The cash benefit is payable monthly by the social security office. The cash benefit is paid to the applicant, cf. section 14. If the parents are living together and both apply for the cash benefit, the benefit is paid to the mother.

If the parents are not living together and have agreed in writing that the child shall live permanently with both of them in accordance with the Children Act section 35a second paragraph, the parents may each be paid one-half of the cash benefit provided they are agreed on such a split. Cash benefit paid at a reduced rate in accordance with section 7 third paragraph may not be split.

Section 10 Payment of the cash benefit for adopted children

For adopted children the cash benefit is payable from and including the calendar month following the expiry of the period in which adoption benefit is payable at the full rate pursuant to the National Insurance Act section 14-6 first paragraph.

If a lump sum grant has been paid pursuant to the National Insurance Act section 14-20, the cash benefit is payable as from the date adoption benefit was granted at the full rate in accordance with the same act section 14-16 first paragraph.

Section 11 Demand for repayment following incorrect payment

Where someone has received the cash benefit pursuant to this act contrary to probity and good faith, repayment of the amount may be demanded. Repayment of the benefit may also be demanded if the benefit recipient or someone who has acted on his or her behalf has through negligence given erroneous or insufficient information. The same applies if the payment was due to a mistake on the part of the social security service and the recipient should have realised this.

In cases other than those mentioned in the first paragraph, repayment of the amount paid in excess may be demanded if special grounds make this reasonable. In assessing whether special reasons are present, importance shall inter alia be given to how much time has passed since the incorrect payment took place and to whether the person concerned has made arrangements in reliance on the payment. Repayment pursuant to this paragraph is limited to the amount remaining when the person in question becomes aware that the payment was incorrect.

An amount whose repayment is required pursuant to the first paragraph may either be deducted from future cash benefit payments or collected pursuant to the provisions of the Act relating to Payment and Collection of Taxes (No. 2 of 21 November 1952).

Chapter 4 Obligations of the benefit recipient

Section 12 Benefit recipient's disclosure obligation

The benefit recipient is obliged, immediately and within 14 days at the latest, to inform the social security office of all changes which may be of significance for the right to the cash benefit and the size of the benefit.

In the event of a change of address, the benefit recipient shall, immediately and within 14 days at the latest, notify accordingly the social security office which has paid the benefit up to the date of the change of address.

Section 13 Refusal of application. Halt to payment

The social security office may refuse an application for the cash benefit, or decide to halt the payment of an ongoing cash benefit if:

- a. information is not given as required, or incorrect information is given or important information is withheld,
- b. the recipient fails to comply with orders authorised under this act.

Chapter 5 Administrative procedure etc.**Section 14 Application for the cash benefit**

Applications for the cash benefit shall be made in writing by the parent with whom the child is living permanently. Where the child is living permanently with both parents, the application may be made by either parent.

The application shall be made to the social security office in the locality where the applicant is resident. If the applicant has no fixed abode, the application shall be made to the social security office in the locality where the applicant is currently staying. The social security office to which the applicant turns is obliged to give him or her necessary guidance.

Section 15 Who decides applications for the cash benefit

The social security office shall decide applications for the cash benefit. A decision on cash benefit is an individual decision pursuant to the Public Administration Act.

Section 16 Disclosure obligation

The applicant is obliged to disclose such information and to deliver such statements and certificates as are necessary for the social security service to decide whether the he or she is entitled to the cash benefit. The social security office shall check the information given, cf. the Children Act section 8a.

Section 17 Administrative procedure

When cases are dealt with under this act, the rules of the Public Administration Act shall apply, nonetheless such that the rules of the National Insurance Act sections 20-7, 21-4, 21-9, 21-10 first paragraph and 21-11 shall apply insofar as appropriate.

Chapter 6 Administrative provisions**Section 18 Administrative bodies**

The cash benefit scheme is administered at central level by the National Insurance Administration, at regional level by the county social security offices and at local level by the local social security offices.

Section 19 Relationship between the social security service and the municipalities

Transfer of information from municipal registers to the social security service, cf. the Children Act section 8a, shall take place monthly. The National Insurance Administration may lay down further rules in this respect.

Chapter 7 Financing of the cash benefit scheme

Section 20 Financing

The social security service's expenditure on cash benefit payments and on administration of the cash benefit scheme shall be met by the Treasury.

Section 21 Who has disposal over the grant on behalf of the State

The funds necessary to cover the social security expenditure shall be made available by the State to the National Insurance Administration in advance and on the payment date at the latest.

The social security service shall for accounting purposes keep the funds for the cash benefit scheme separate from other funds at its disposal.

Chapter 8 Miscellaneous provisions

Section 22 Agreements with other countries

The King may enter into reciprocal agreements with other countries on rights and obligations under this act. Exceptions may be made from the provisions of this act in that connection.

Section 23 Penalties for giving incorrect information and for failing to give necessary information

Anyone who in bad faith gives incorrect information, or withholds information of importance for rights or obligations under this act, shall be punishable by fines unless a severer penal provision is applicable.

Anyone who fails to give in due time such notification and information as is required in or pursuant to this act shall be subject to the same penalties.

The National Insurance Administration is responsible for applying for prosecution.

Section 24 Regulations

The ministry may lay down regulations concerning the implementation of the provisions of this act.

Chapter 9 Commencement and transitional provisions. Amendments to other acts

Section 25 Commencement

This act comes into force on 1 August 1998.

Section 26 Transitional provisions

Until 1 January 1999 the cash benefit is granted only to children between 1 and 2 years of age. However, children reaching the age of 2 years between 1 August 1998 and 31 December 1998 inclusive retain the cash benefit until 1 January 1999.

Section 27 Amendments to other acts

When this act comes into force the following amendments take effect in the Day Care Institutions Act (No. 19 of 5 May 1995):---