



State of Wisconsin  
2011 - 2012 LEGISLATURE



LRB-0146/1  
PJK:jld:md

DOA:.....Grimsrud, BB0060 - Child support distribution changes

**FOR 2011-13 BUDGET -- NOT READY FOR INTRODUCTION**

**AN ACT ...; relating to:** the distribution of child support payments.

---

*Analysis by the Legislative Reference Bureau*

**HEALTH AND HUMAN SERVICES**

**CHILDREN**

Current law requires that payments received for child support be applied first to child support that is due in the month in which the payment is received, then to any unpaid child support that was due before the payment was received, and finally to any interest that has accrued on unpaid child support. Under federal law, payments received for child support must be distributed in a different order if the payee is receiving or has received aid under the Temporary Assistance for Needy Families block grant program. This bill provides an exception to the order in which payments received for child support are distributed if federal statutes or regulations require a different order.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

---

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

**SECTION 1.** 767.511 (6) (intro.) of the statutes is amended to read:

767.511 (6) INTEREST ON ARREARAGE. (intro.) A party ordered to pay child support under this section shall pay simple interest at the rate of 1% per month on any amount in arrears that is equal to or greater than the amount of child support due in one month. If the party no longer has a current obligation to pay child support, interest at the rate of 1% per month shall accrue on the total amount of child support in arrears, if any. Interest under this subsection is in lieu of interest computed under s. 807.01 (4), 814.04 (4), or 815.05 (8) and is paid to the department or its designee under s. 767.57. Except as provided in s. 767.57 (1m) and except as required under federal statutes or regulations, the department or its designee shall apply all payments received for child support as follows:

**SECTION 9308. Initial applicability; Children and Families.**

(1) ORDER OF DISTRIBUTION OF CHILD SUPPORT PAYMENTS. The treatment of section 767.511 (6) (intro.) of the statutes first applies to payments for child support that are received on the effective date of this subsection.

(END)