1

2

3

4

5

6

7

LRB-1336/1 PJK:kmg&jlg:jf

1997 ASSEMBLY BILL 193

March 20, 1997 – Introduced by Representatives Ainsworth, Huebsch, Kreuser, Goetsch, Lazich, Hasenohrl, Musser, Owens, Nass, Lorge, Hahn, Olsen, Albers, Duff, F. Lasee, Grothman, Gunderson, Harsdorf, Brandemuehl and Ott, cosponsored by Senator Zien. Referred to Committee on Children and Families.

AN ACT to repeal 767.25 (1m) (ej); to renumber and amend 767.25 (1j); to amend 49.22 (9), 767.085 (2) (b), 767.085 (2m) (a) 2., 767.085 (2m) (b), 767.23 (1n), 767.25 (1m) (intro.), 767.25 (1n), 767.32 (1) (b) 4., 767.32 (2), 767.32 (2m), 767.45 (7), 767.455 (6), 767.51 (4m), 767.51 (5) (intro.), 767.51 (5d) and 948.22 (7) (bm); and to create 767.25 (1j) (b) and 767.32 (1) (b) 5. of the statutes; relating to: calculating child support, in certain situations, on the basis of both parents' incomes and the amount of time spent with the child.

Analysis by the Legislative Reference Bureau

Under current law in an action affecting the family in which child support is ordered, (most commonly divorce and paternity actions), including actions to revise child support, the court must determine child support payments by using the percentage standard originally established by administrative rule by the department of health and social services and for which the department of industry, labor and job development now has responsibility. The percentage standard is a percentage of the payer's gross monthly income. The percentage of income required to be paid varies with the number of children to be supported. The calculation of child support does not take into account the level of personal expenses of the payer or, except in certain situations, the income of the payee or the amount of time that the payer cares for the child during periods of physical placement ordered by the court.

If the payer has physical placement of the child between 31% and 40% of the time, the rules provide for a specified reduction in the amount of child support that the payer would be required to pay by using the percentage standard alone. (For example, a payer with physical placement of the child for 37% of the time pays 76.69% of the amount that he or she would pay by using the percentage standard alone.) Also under the rules, if a parent has physical placement of the child between 41% and 59% of the time and the other parent has physical placement the remainder of the time, the amount of child support that each would pay by using the percentage standard alone is calculated, reduced by a specified percentage depending upon the amount of time each parent has physical placement of the child and compared with the other parent's similarly calculated and reduced amount of child support. (For example, a parent with physical placement of the child for 46% of the time would be obligated to pay 46.72% of the amount of child support that he or she would be obligated to pay by using the percentage standard alone while the other parent with physical placement for 54% of the time would be obligated to pay 20.08% of the amount calculated by using the percentage standard alone.) The parent with the larger calculated and reduced amount must pay the difference as child support to the other parent. In addition under current law, the court is authorized to modify the amount of child support that would be ordered by using the percentage standard. upon the request of a party. The court must find that use of the percentage standard is unfair to the child or either of the parties after considering a number of factors, such as the earning capacity of each parent, the desirability that the custodian remain in the home as a full-time parent and extraordinary travel expenses incurred in exercising physical placement rights.

This bill changes the method of determining the amount of child support to be paid in actions affecting the family, including actions to revise child support. Under the bill, if only one parent is granted periods of physical placement and the other parent is denied periods of physical placement, or if both parents are granted periods of physical placement but one parent has physical placement of the child for less than 15% of the time, the child support obligation is determined simply by using the percentage standard. If, however, both parents are granted periods of physical placement and each parent has physical placement of the child for at least 15% of the time, the court computes child support in the following manner:

- 1. The court first determines the gross child support obligation of each parent by using the percentage standard. Thus, the parent with the higher income of the 2 would have the higher gross child support obligation.
- 2. The court next multiplies each parent's gross child support obligation by the parent's percentage of time spent with the child or children, based on the periods of physical placement ordered by the court.
- 3. That product for each parent is then subtracted from the parent's gross child support obligation to produce the parent's net child support obligation. Thus, the parent who cares for the child or children the greater amount of time has his or her gross child support obligation reduced by a larger proportion of that obligation.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

4. The parent with the resulting larger net child support obligation pays child support to the other parent in the amount of the difference between the 2 net child support obligations.

As under current law, the court may upon request modify the amount of support that would be determined by using the method of calculating child support that is outlined in the law, after considering the same factors as under current law and upon finding that use of the new method is unfair to the child or either of the parties.

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

Section 1. 49.22 (9) of the statutes is amended to read:

49.22 (9) The department shall promulgate rules that provide a standard for courts to use in determining a child support obligation based upon a percentage of the gross income and assets of either or both parents. The rules shall provide for consideration of the income of each parent and the amount of physical placement with each parent in determining a child support obligation in cases in which a child has substantial periods of physical placement with each parent.

SECTION 2. 767.085 (2) (b) of the statutes is amended to read:

767.085 (2) (b) The clerk of court shall provide without charge, to each person filing a petition requesting child support, a document setting forth the percentage standard established by the department under s. 49.22 (9) and the method of calculating child support under s. 767.25 (1j) and listing the factors which that a court may consider under s. 767.25 (1m).

SECTION 3. 767.085 (2m) (a) 2. of the statutes is amended to read:

767.085 (2m) (a) 2. Shall be accompanied by a document, provided without charge by the clerk of court, setting forth the percentage standard established by the department under s. 49.22 (9) and the method of calculating child support under s.

 $\mathbf{2}$

767.25 (1j) and listing the factors which that a court may consider under s. 767.25 (1m).

SECTION 4. 767.085 (2m) (b) of the statutes is amended to read:

767.085 (2m) (b) If service is by publication, notification regarding s. 948.31 may consist of references to the statute numbers and titles, and but information relating to the percentage standard, the method of calculating child support and the factors need not be provided.

Section 5. 767.23 (1n) of the statutes is amended to read:

767.23 (1n) Before making any temporary order under sub. (1), the court or family court commissioner shall consider those factors which that the court is required by this chapter to consider before entering a final judgment on the same subject matter. If the court or family court commissioner makes a temporary child support order that deviates from the amount of support that would be required by using the percentage standard established by the department under s. 49.22 (9) method of calculating child support under s. 767.25 (1j), the court or family court commissioner shall comply with the requirements of s. 767.25 (1n) or 767.51 (5d), whichever is appropriate. A temporary order under sub. (1) may be based upon the written stipulation of the parties, subject to the approval of the court or the family court commissioner. Temporary orders made by the family court commissioner may be reviewed by the court as provided in s. 767.13 (6).

SECTION 6. 767.25 (1j) of the statutes is renumbered 767.25 (1j) (a) and amended to read:

767.25 (1j) (a) Except as provided in sub. (1m), if the court denies periods of physical placement to one parent or if the court grants periods of physical placement to both parents but one parent has physical placement of the child for less than 15%

of the time, the court shall determine child support payments by using the percentage standard established by the department under s. 49.22 (9).

SECTION 7. 767.25 (1j) (b) of the statutes is created to read:

767.25 (1j) (b) Except as provided in sub. (1m), if the court grants periods of physical placement to both parents and each parent has physical placement of the child for at least 15% of the time, the court shall determine child support payments in the following manner:

- 1. The gross child support obligation of each parent shall be calculated by using the percentage standard established by the department under s. 49.22 (9).
- 2. Each parent's gross child support obligation calculated under subd. 1. shall be multiplied by that parent's percentage of time spent with the child or children, based on the periods of physical placement granted to the parent.
- 3. The net child support obligation of each parent shall be calculated by subtracting the product determined under subd. 2. for the parent from the gross child support obligation of that parent calculated under subd. 1.
- 4. The parent with the greater net child support obligation under subd. 3. shall pay as child support, to the parent with the smaller net child support obligation under subd. 3., the difference between those net child support obligations.

SECTION 8. 767.25 (1m) (intro.) of the statutes is amended to read:

767.25 (1m) (intro.) Upon request by a party, the court may modify the amount of child support payments determined under sub. (1j) if, after considering the following factors, the court finds by the greater weight of the credible evidence that use of the percentage standard the amount of child support determined by using the method of calculating child support under sub. (1j) is unfair to the child or to any of the parties:

SECTION 9. 767.25 (1m) (ej) of the statutes is repealed.

Section 10. 767.25 (1n) of the statutes is amended to read:

767.25 (1n) If the court finds under sub. (1m) that use of the percentage standard the amount of child support determined by using the method of calculating child support under sub. (1j) is unfair to the child or the requesting party, the court shall state in writing or on the record the amount of support that would be required by using the percentage standard method of calculating child support under sub. (1j), the amount by which the court's order deviates from that amount, its reasons for finding that use of the percentage standard the amount of child support determined by using the method of calculating child support under sub. (1j) is unfair to the child or the party, its reasons for the amount of the modification and the basis for the modification.

Section 11. 767.32 (1) (b) 4. of the statutes is amended to read:

767.32 (1) (b) 4. A If the judgment or order was entered under s. 48.355 (2) (b) 4., 48.357 (5m) or 48.363 (2), a difference between the amount of child support ordered by the court to be paid by the payer and the amount that the payer would have been required to pay based on the percentage standard established by the department under s. 49.22 (9) if the court did not use the percentage standard in determining the child support payments and did not provide the information required under s. 46.10 (14) (d), 767.25 (1n) or 767.51 (5d), whichever is appropriate.

Section 12. 767.32 (1) (b) 5. of the statutes is created to read:

767.32 (1) (b) 5. If the judgment or order was entered under this chapter or s. 948.22 (7), a difference between the amount of child support ordered by the court to be paid by the payer and the amount that the payer would have been required to pay based on the method of calculating child support under s. 767.25 (1j) if the court did

not use that method in determining the child support payments and did not pro-	vide
the information required under s. 767.25 (1n) or 767.51 (5d), whichever	r is
appropriate.	

SECTION 13. 767.32 (2) of the statutes is amended to read:

767.32 **(2)** Except as provided in sub. (2m) or (2r), if the court revises a judgment or order with respect to child support payments, it shall do so by using the percentage standard established by the department under s. 49.22 (9) method of calculating child support under s. 767.25 (1j).

Section 14. 767.32 (2m) of the statutes is amended to read:

767.32 (2m) Upon request by a party, the court may modify the amount of revised child support payments determined under sub. (2) if, after considering the factors listed in s. 767.25 (1m) or 767.51 (5), as appropriate, the court finds, by the greater weight of the credible evidence, that the use of the percentage standard amount of revised child support determined by using the method of calculating child support under s. 767.25 (1j) is unfair to the child or to any of the parties.

Section 15. 767.45 (7) of the statutes is amended to read:

767.45 (7) The clerk of court shall provide without charge, to each person bringing an action under this section, except to the state under sub. (1) (g) or (6m), a document setting forth the percentage standard established by the department under s. 49.22 (9) and the method of calculating child support under s. 767.25 (1j) and listing the factors which that a court may consider under s. 767.51 (5).

Section 16. 767.455 (6) of the statutes is amended to read:

767.455 **(6)** Document. The summons served on the respondent shall be accompanied by a document, provided without charge by the clerk of court, setting forth the percentage standard established by the department under s. 49.22 (9) and

the method of calculating child support under s. 767.25 (1j) and listing the factors which that a court may consider under s. 767.51 (5).

SECTION 17. 767.51 (4m) of the statutes is amended to read:

767.51 (4m) Except as provided in sub. (5), the court shall determine child support payments by using the percentage standard established by the department under s. 49.22 (9) method of calculating child support under s. 767.25 (1j).

Section 18. 767.51 (5) (intro.) of the statutes is amended to read:

767.51 (5) (intro.) Upon request by a party, the court may modify the amount of child support payments determined under sub. (4m) if, after considering the following factors, the court finds by the greater weight of the credible evidence that use of the percentage standard the amount of child support determined by using the method of calculating child support under s. 767.25 (1j) is unfair to the child or to the requesting party:

Section 19. 767.51 (5d) of the statutes is amended to read:

767.51 (5d) If the court finds under sub. (5) that use of the percentage standard the amount of child support determined by using the method of calculating child support under s. 767.25 (1j) is unfair to the child or the requesting party, the court shall state in writing or on the record the amount of support that would be required by using the percentage standard method of calculating child support under s. 767.25 (1j), the amount by which the court's order deviates from that amount, its reasons for finding that use of the percentage standard the amount of child support determined by using the method of calculating child support under s. 767.25 (1j) is unfair to the child or the party, its reasons for the amount of the modification and the basis for the modification.

Section 20. 948.22 (7) (bm) of the statutes is amended to read:

1

 $\mathbf{2}$

3

4

5

6

7

8

948.22 (7) (bm) Upon request, the court may modify the amount of child or spousal support payments determined under par. (b) 2. if, after considering the factors listed in s. 767.25 (1m) or 767.51 (5), regardless of the fact that the action is not one for a determination of paternity or an action specified in s. 767.25 (1), the court finds, by the greater weight of the credible evidence, that the use of the percentage standard amount of child support determined by using the method of calculating child support under s. 767.25 (1j) is unfair to the child or to either of the child's parents.

9 (END)