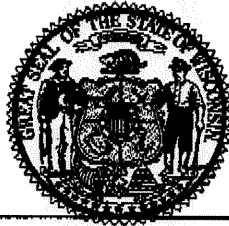


WAUPACA COUNTY CIRCUIT COURT  
BRANCH I

*Hon. Philip M. Kirk*



**FAX TRANSMISSION MEMORANDUM**

**TO:** Sen. Gary George  
Fax Phone No. 608-266-7381  
Sen. Fred Risser  
Fax Phone No. 608-266-1629  
Sen. Robert Wirch  
Fax Phone NO. 608-267-0984  
Sen. Joanne Huelsman  
Fax Phone No. 608-267-5172  
Sen. Scott Fitzgerald  
Fax Phone No. 608-267-6795

**FROM:** Circuit Judge Philip M. Kirk  
Fax Phone No. 715-258-6440

**DATE:** June 1, 2001

**RE:** SB-151  
Number of pages including this page: 8

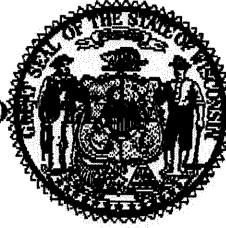
If any pages need to be resent, please call 715-258-6430 and ask for Bev. Otherwise, we will assume that this transmission has been successfully completed.

Thank you.

WAUPACA COUNTY CIRCUIT COURT  
BRANCH I*Hon. Philip M. Kirsch*

May 30, 2001

SENT VIA FAX - HARD COPY TO



Senator Gary George, Chair  
Senate Judiciary, Consumer Affairs  
and Campaign Finance Reform Committee  
P.O. Box 7882  
Madison, WI 53707-7882

**RE: SB 151**

Dear Senator George:

I am writing this letter on behalf of the Committee of Chief Judges, as chair of its child support subcommittee. At a recent meeting the committee discussed the various proposals affecting child support in Wisconsin. Topics ranged from the federal government's requirement that all child support orders in IV-D cases be expressed as a fixed dollar amount as opposed to a percentage of income, to various proposals to change Wisconsin's existing child support percentage standard, and the Department of Workforce Development's (DWD) newly created advisory panel to review our current child support percentage standard. The result of this discussion is the Chief Judges' recommendation that no substantive legislation be passed that would change Wisconsin's child support percentage standard until DWD's advisory child support panel can complete its work and make recommendations to the legislature. This is to occur by early next year, so any recommended changes can still be acted upon by the legislature prior to this session adjourning. Even though SB-151 is the only bill set for hearing which proposes to change the current percentage standard, the committee's recommendation would also apply to any other legislative proposals that would change Wisconsin's child support percentage standard.

The reason for the Chief Judges' position is very simple. Wisconsin has utilized a child support percentage standard for over 15 years. Since the judiciary is the institution charged with applying the standard, the committee believes that a thorough examination of the current percentage standard formula compared to other child support standards (such as income shares) is essential before any substantive changes are acted upon. DWD's advisory child support panel will have the opportunity to review a number of important studies prepared by the University of Wisconsin Institute for Research on Poverty in the following areas:

- Expenditures on children in single parent and two parent families, with an emphasis on high income and low income payers.
- Comparison of percentage of income standard with income shares standards.
- Use of the percentage standard in shared placement orders.
- Living arrangements of children in shared placements over time.

Beverly J. Olson  
Judicial Assistant

Waupaca County Courthouse  
811 Harding Street Waupaca, Wisconsin 54981  
715-258-6430 Fax 715-258-6440

Thomas J. McNamara  
Court Reporter

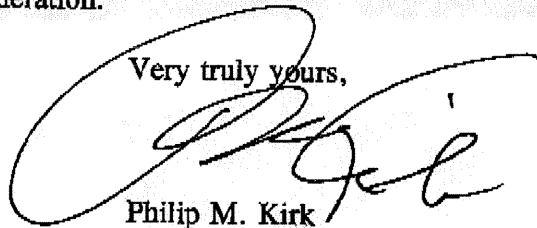
The committee believes that understanding the policy implications of these studies will avoid judicial trepidation on the most critical issue of child support, that is, what is fair for children. This would also allow the advisory panel to develop information about the effect other child support standards have upon other issues in family law cases, such as property division, maintenance, day care, health insurance, and most importantly, custody and placement. This is of critical importance because whether a case is resolved by settlement or trial, it is the interplay of issues that dictates resolution, not addressing each issue in a vacuum. This is another reason why it is important to know the policy reasons that underpin other child support models.

At this point the committee is aware that implementing SB-151 in lieu of our present percentage standard would generally result in a reduction in the amount of child support that a custodial parent receives. Comparing different scenarios under SB-151 with our current standard bears this out. I have enclosed a summary for your review, which was prepared by the State Bar when SB-151 was introduced during the last legislative session as SB-520. "WI law" represents our current percentage standard and "SB-520" represents the current SB-151. (The summary also contains two other alternative methods of calculating child support: "Hybrid" represents a State Bar of Wisconsin proposed modification of our current percentage standard, and "Inc. shares" represents the State of Virginia's traditional income shares standard.)

The committee believes that the only certain effect that passage of SB-151 would have now is a significant increase in litigation because custodial parents would generally receive less child support. However, if a major change in Wisconsin's child support percentage standard is deemed appropriate, the Chief Judges Committee respectfully requests that you defer passage of SB-151 or other similar bills until DWD's advisory panel completes its work and makes recommendations to the legislature.

Thank you for your consideration.

Very truly yours,



Philip M. Kirk  
Chair, Child Support Subcommittee

PMK:bjc

cc: Sen. Fred Risser  
Sen. Robert Wirch  
Sen. Joanne Huelsman  
Sen. Scott Fitzgerald  
J. Denis Moran  
Sheryl Gervasi  
Chief Judges  
Connie Chesnik  
Linda Barth

## MEMORANDUM

TO: PARENT LIAISON CHILD SUPPORT SUBCOMMITTEE  
 FROM: Margaret W. Hickey  
 RE: Fact scenarios for next meeting  
 DATE: May 31, 2000

The following are the fact scenarios that I would like each group in the above committee to run and be ready to discuss for the next meeting on June 30 at 9:00 a.m. in Madison. If anyone has any questions, please call me. It is my understanding that the group looking at the income shares (Commissioner McManus's group) model will be ready to discuss the LRB and possible changes to it in light of our discussion on May 19, and the WI hybrid group (David Kaiser's group) will be ready to discuss changes to the current system to address the concerns raised at the meeting.

Thank you for all of your work on this.

SCENARIOS: Assume 2 children

	Father's income	Mother's income
1)	2,500/mo	1,500/mo
2)	6,000	2,000
3)	8,000	2,000
4)	4,000	8,000

Run each scenario at the following schedules. Assume father does not have primary placement.

- a) Father has 90 overnights/Mother has 275.
- b) Father has 108 overnights/ Mother has 257 (e.g. adds every other Sun overnight in school year)
- c) Father has 130 overnights/ Mother has 235 (e.g. 5 of 14 overnights)
- d) Father has 142 overnights/ Mother has 223 (39% time, e.g. add an extra overnight in the summer)
- e) Father has 156 overnights/ Mother has 209 (e.g. 6 of 14 overnights)
- f) Father has 183/ Mother has 182

If necessary, assume Mother pays \$750 per month for the day care for 2 children and father's health insurance premium is \$150 per month

Assumptions: 2 children, Day care expense \$750, Health insurance premium \$150.

Theory	H's income	W's income	H days/ %	W days/%	Child supt.
WI law	2,500	1,500	90/25	275/75	625
Hybrid	2,500	1,500	90/25	275/75	625
Inc. shrs.	2,500	1,500	90/25	275/75	950.63
SB 520	2,500	1,500	90/25	275/75	525
WI law	2,500	1,500	108/30	257/70	625
Hybrid	2,500	1,500	108/30	257/70	625
Inc. shrs.	2,500	1,500	108/30	257/70	809.20
SB 520	2,500	1,500	108/30	257/70	455
WI law	2,500	1,500	130/36	235/64	508.11*
Hybrid	2,500	1,500	130/36	235/64	512.50**
Inc. shrs.	2,500	1,500	130/36	235/64	736.75
SB 520	2,500	1,500	130/36	235/64	371
WI law	2,500	1,500	142/39	223/61	439.68*
Hybrid	2,500	1,500	142/39	223/61	512.50**
Inc. shrs.	2,500	1,500	142/39	223/61	740.97
SB 520	2,500	1,500	142/39	223/61	329
WI law	2,500	1,500	156/43	209/57	325.27*
Hybrid	2,500	1,500	156/43	209/57	252**
Inc. shrs.	2,500	1,500	156/43	209/57	647.55
SB 520	2,500	1,500	156/43	209/57	273
WI law	2,500	1,500	183/50	182/50	79*
Hybrid	2,500	1,500	183/50	182/50	124**
Inc. shrs.	2,500	1,500	183/50	182/50	563.25
SB 520	2,500	1,500	183/50	182/50	175

\*Plus proportionate share of variable costs.

\*\*Average in a range of outcomes.

Assumptions: 2 children, Day care expense \$750, Health insurance premium \$150.

Theory	H's income	W's income	H days/ %	W days/%	Child supt.
WI law	6,000	2,000	90/25	275/75	1,500
Hybrid	6,000	2,000	90/25	275/75	1,500
Inc. shrs.	6,000	2,000	90/25	275/75	1,588.50
SB 520	6,000	2,000	90/25	275/75	1,050
WI law	6,000	2,000	108/30	257/70	1,500
Hybrid	6,000	2,000	108/30	257/70	1,500
Inc. shrs.	6,000	2,000	108/30	257/70	1,418
SB 520	6,000	2,000	108/30	257/70	945
WI law	6,000	2,000	130/36	235/64	1,150.80*
Hybrid	6,000	2,000	130/36	235/64	1,230**
Inc. shrs.	6,000	2,000	130/36	235/64	1,299
SB 520	6,000	2,000	130/36	235/64	819
WI law	6,000	2,000	142/39	223/61	1,055.40*
Hybrid	6,000	2,000	142/39	223/61	1,230**
Inc. shrs.	6,000	2,000	142/39	223/61	1,240
SB 520	6,000	2,000	142/39	223/61	756
WI law	6,000	2,000	156/43	209/57	817.80*
Hybrid	6,000	2,000	156/43	209/57	926**
Inc. shrs.	6,000	2,000	156/43	209/57	1,009
SB 520	6,000	2,000	156/43	209/57	672
WI law	6,000	2,000	183/50	182/50	324.88*
Hybrid	6,000	2,000	183/50	182/50	495**
Inc. shrs.	6,000	2,000	183/50	182/50	1,021
SB 520	6,000	2,000	183/50	182/50	525

\*Plus proportionate share of variable costs.

\*\*Average in a range of outcomes.

Assumptions: 2 children, Day care expense \$750, Health insurance premium \$150.

Theory	H's income	W's income	H days/ %	W days/%	Child supt.
WI law	8,000	2,000	90/25	275/75	2,000
Hybrid	8,000	2,000	90/25	275/75	2,000
Inc. shrs.	8,000	2,000	90/25	275/75	1,708
SB 520	8,000	2,000	90/25	275/75	1,347.50
WI law	8,000	2,000	108/30	257/70	2,000
Hybrid	8,000	2,000	108/30	257/70	2,000
Inc. shrs.	8,000	2,000	108/30	257/70	1,673.89
SB 520	8,000	2,000	108/30	257/70	1,225
WI law	8,000	2,000	130/36	235/64	1,625.60*
Hybrid	8,000	2,000	130/36	235/64	1,640**
Inc. shrs.	8,000	2,000	130/36	235/64	1,541.43
SB 520	8,000	2,000	130/36	235/64	1,078
WI law	8,000	2,000	142/39	223/61	1,407.20*
Hybrid	8,000	2,000	142/39	223/61	1,640**
Inc. shrs.	8,000	2,000	142/39	223/61	1,475.20
SB 520	8,000	2,000	142/39	223/61	1,004.50
WI law	8,000	2,000	156/43	209/57	1,105.60*
Hybrid	8,000	2,000	156/43	209/57	1,261**
Inc. shrs.	8,000	2,000	156/43	209/57	1,386.89
SB 520	8,000	2,000	156/43	209/57	906.50
WI law	8,000	2,000	183/50	182/50	489.60*
Hybrid	8,000	2,000	183/50	182/50	742.50**
Inc. shrs.	8,000	2,000	183/50	182/50	1,232.34
SB 520	8,000	2,000	183/50	182/50	750

\*Plus proportionate share of variable costs

\*\*Average in a range of outcomes.

Assumptions: 2 children, Day care expense \$750, Health insurance premium \$150.

Theory	H's income	W's income	H days/ %	W days/%	Child supt.
WI law	4,000	8,000	90/25	275/75	1,000
Hybrid	4,000	8,000	90/25	275/75	1,000
Inc. shrs.	4,000	8,000	90/25	275/75	1,784.25
SB 520	4,000	8,000	90/25	275/75	224
WI law	4,000	8,000	108/30	257/70	1,000
Hybrid	4,000	8,000	108/30	257/70	1,000
Inc. shrs.	4,000	8,000	108/30	257/70	217.52
SB 520	4,000	8,000	108/30	257/70	84
WI law	4,000	8,000	130/36	235/64	812.97*
Hybrid	4,000	8,000	130/36	235/64	820**
Inc. shrs.	4,000	8,000	130/36	235/64	117.48
SB 520	4,000	8,000	130/36	235/64	84***
WI law	4,000	8,000	142/39	223/61	703.49*
Hybrid	4,000	8,000	142/39	223/61	820**
Inc. shrs.	4,000	8,000	142/39	223/61	5.97
SB 520	4,000	8,000	142/39	223/61	168***
WI law	4,000	8,000	156/43	209/57	391.30*
Hybrid	4,000	8,000	156/43	209/57	355**
Inc. shrs.	4,000	8,000	156/43	209/57	88.06***
SB 520	4,000	8,000	156/43	209/57	280***
WI law	4,000	8,000	183/50	182/50	347.68*/***
Hybrid	4,000	8,000	183/50	182/50	495***/***
Inc. shrs.	4,000	8,000	183/50	182/50	251.60***
SB 520	4,000	8,000	183/50	182/50	476***

\*Plus proportionate share of variable costs.

\*\*Average in a range of outcomes.

\*\*\*Payment from W to H