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(FORM UPDATED: 08/11/2010)

WISCONSIN STATE LEGISLATURE ...
PUBLIC HEARING - COMMITTEE RECORDS

2003-04

(session year)

Assembly

(Assembly, Senate or Joint)

Committee on ... Children and Families (AC-CF)

COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
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INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)
  (**ab** = Assembly Bill) (**ar** = Assembly Resolution) (**ajr** = Assembly Joint Resolution)
  (**sb** = Senate Bill) (**sr** = Senate Resolution) (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

* Contents organized for archiving by: Stefanie Rose (LRB) (May 2012)

Wisconsin
State
Assembly

AB 250

Christine Sinicki
State Representative

August 27, 2003

Chairman Steve Kestell
Assembly Committee on Children and Families
Room 17 West Capitol Building
Madison, Wisconsin Legislature

Dear Chairman Kestell,

Please find attached a memo e-mailed to me by Professor Judi Bartfeld, of UW-Madison. She prepared the memo for me in response to my request that she review the proposed administrative rules on child support from the Department of Workforce Development. Professor Bartfeld is an expert on the subject of Wisconsin's child support laws.

You will note questions she asks regarding the rules at the end of her memo. I in turn ask you to forward these to the department for their review as well. I would like to make sure these questions are answered before the committee signs off on the rules. In fact, I would like to see answers to these questions in writing from the department.

My greatest concern is the last she mentions, regarding the potential hardship created for low-income consumers who may benefit dramatically from an immediate review of their existing orders after the new rules are put into place.

Thank you.

Sincerely,

Christine Sinicki
State Representative
20th Assembly District

CS: mbg

DISTRICT: 3132 S. INDIANA, MILWAUKEE, WI 53207 • (414) 481-7667
412 NORTH, STATE CAPITOL, P.O. BOX 8953, MADISON, WI 53708 • (608) 266-8588 • FAX: (608) 282-3620
TOLL-FREE: 1-888-534-0020 • EMAIL: REP.SINICKI@LEGIS.STATE.WI.US

August 6, 2003

Christine Sinicki
412 North
State Capitol
P.O. Box 8953
Madison, WI 53708

Dear Representative Sinicki:

Thank you for the opportunity to review and comment on the proposed revision of DWD 40, the Administrative Rules on child support guidelines.

The proposed changes fall primarily in the following areas:

- Changes in the formula for low-income payers;
- Changes in the formula for high-income payers;
- Changes in the definition of shared-placement cases, and in the formula for orders in such cases.

The proposed changes generally address problems with the current rules that are well documented by existing research. The following comments point out some of the implications of the changes, their justification in child support research, and some possible questions the committee may wish to explore.

Changes in formula for low-income payers:

The proposed changes would lower the presumptive order used in low-income cases, where low-income cases are considered to be those in which the non-resident parent has income below 150% of the poverty line. For parents with incomes below 70% of the poverty line, a minimal order would be set. The order would increase gradually until, at 150% of poverty, the order would correspond to the regular percentage standard. In addition, the proposed changes specify that prior to imputing income based on earnings capacity, the courts must exercise due diligence in finding out about actual income and ability to earn.

The proposed changes are grounded in a strong body of research, originating in Wisconsin and elsewhere, documenting substantial problems with child support orders for low-income payers. Of particular relevance, compliance rates with orders are significantly lower in low-income cases, leading to accrual of large arrearages that parents, realistically, may never be able to pay. Furthermore, some research suggests that high arrears themselves may lead to lower compliance, perhaps because low income

fathers with high arrears perceive that they will never be able to fulfill their obligation and thus seek to avoid both the formal child support system and the formal labor market. Finally, research has also found that imputed income for low-income payers is frequently higher than actual income, leading to orders that are higher than warranted.

There are several important implications of these proposed changes:

- First, orders would be lower for most low income payers;
- Second, the research referenced above suggests that compliance with orders among low-income payers would be greater, and arrearages lower, under the proposed rules;
- Although the proposed changes are warranted, they nonetheless may create problems for some parents and children. In short, the likely outcome is that low income obligors would pay a larger share of what they owe, but not necessarily a larger total amount. The reduction in child support orders would in some cases lead to a reduction in resources available to low income custodial parents and children. This reflects the inherent problems in trying to support two households on very limited resources.

Changes in formula for high-income payers:

The proposed changes would lower the order used in high-income cases, where high income cases are considered to be those in which the nonresident parent has income of over $150,000. Specifically, the changes would allow orders at 80% of the standard for income in the $150,000-$198,000 range, and 60% of the standard for incomes above $198,000.

The logic underlying these changes is that research suggests that high income parents, on average, devote a smaller share of their income to their children than do middle and lower income parents. As a result, many argue that higher income parents should pay a smaller share of income in support. Although the research on child expenditures generally does suggest that the percent of income spent on children goes down as income goes up, there is little concensus among studies as to the income level at which this occurs, or the magnitude of the decline. Thus, one could certainly argue for starting the high-income adjustment at a different threshold, either higher or lower. Expenditure studies simply do not provide a firm answer. The existing research does not appear to provide a compelling case for reducing orders at a substantially lower high-income threshold such as some advocate. A recent IRP analysis provides a good look at this issue.[1]

Changes for shared-placement cases:

The proposed shared custody guidelines make several important changes:

- First, the new guidelines would reduce the threshold at which a parent is considered to have shared placement, and thus subject to an alternate formula for calculating orders—from 30% to 25% of nights (or night equivalents).

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[1] Rothe, Cassetty, and Boehnen. 2001. Estimates of Family Expenditures for Children: A Review of the Literature.

- In addition, the new guidelines would also reduce the threshold at which shared-placement orders would be calculated by determining child support orders for both parents and offsetting these against each other. This is important because, when offsetting is used, order amounts generally go down rapidly as placement time with the lesser-time parent increases. Under current guidelines this approach is not used until the 41% threshold, whereas under the new guidelines offsetting would begin at the 25% time threshold.
- Furthermore, when such offsetting is used, the new guidelines would determine each parent's order at 150% of the standard order, to account for the greater overall costs when placement is shared.
- Finally, the new guidelines would require that shared-placement parents share the variable costs (child care, etc) of children proportional to their placement time.

There are several important implications of these changes.

- First, many more cases would be considered to be shared-placement cases. The 25% threshold is low enough to encompass many typical post-divorce arrangements, as compared to the 30% threshold of the existing guidelines.
- Second, the 25% threshold in combination with the proposed offsetting-orders approach would change the implicit tradeoff between time and support obligations. Under current policy, increases in placement time up to 30% have no impact on support orders; increases from 30-40% have relatively modest impacts on support orders (the order is reduced but is not offset by an order against the greater-time parent); and all increases over 40% time have substantially larger impacts on support orders (because at that point orders are offset by orders against the greater-time parent). In contrast, under the new policy, orders would begin to decline as placement exceeds 25%, and the rate of decline would be constant thereafter. Thus, the shared-placement adjustment is smoother under the new guidelines.
- In most cases that would be considered shared placement, the net impact of the new shared-placement guideline would be a decline in the support obligation – sometimes a large decline. This could be problematic for custodial parents in general and low income custodial parents in particular.
- A 'cliff effect', or a disproportionate drop in orders, occurs at the 25% threshold. This occurs because the shared-custody formula kicks in at that level. As a result, there is a strong economic incentive for the lesser-time parent to cross the 25% threshold. This cliff effect is noteworthy because the elimination of cliff effects is one of the purported advantages of the new versus old guideline. The new guideline appears to change rather than eliminate the cliff effect. (Under the current guidelines, the primary cliff effect occurrs at 41%, at which point the offsetting of orders occurs.)
- The reduction in orders would potentially be offset by the formal sharing of variable costs under the new guidelines. Basic orders would decline as placement time increased, but as placement time increased parents would be expected to pay a larger share of variable costs (child care, etc.).

Some potential questions to explore include:

- *Approximately what share of child support cases would likely meet the 25% threshold and thus be affected by these new guidelines? This is important because, as

noted, the most common result will be a decline in the support order. If a large share of cases can be expected to have lower orders, this should perhaps be given more prominent attention in discussions.

- *Has DWD considered a formula that *phases in* the shared-placement formula starting at the 25% threshold, to avoid the cliff effect?
- *How would the proposed division of childcare costs affect eligibility for childcare subsidies?
- *The proposed rule suggests that variable costs would be shared in proportion to placement time. If the lesser-time parent incurs childcare costs, does the proposed rule imply that those costs would be paid primarily by the greater-time parent?

Other issues:

The proposed rule appears to prevent existing cases from seeking order changes on the basis of these new rules. As a result, existing cases would presumably need to wait until a regularly scheduled review – up to 3 years – before these changes would be relevant. This would prevent a major influx of revision requests, however, it does seem unfair that existing cases will be subject to what in some cases are dramatic differences in orders as compared to new cases.

- *Has DWD considered a priority system by which cases that would experience large changes under the new rules would be eligible for faster review?

Please feel contact me if I can be of further assistance.

Sincerely,

Judi Bartfeld, Ph.D.
Associate Professor
UW- Madison


FORWARD

LAW OFFICES
OF
JOHN C. GOWER
ATTORNEY AND COUNSELOR

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September 2, 2003

Hon. Steven Kestell
Chairman and Members
Wisconsin Assembly Committee
on Children and Families
PO Box 8952
Madison, WI 53707-8952

Re: Assembly Bill 250

Dear Representatives Kestell, Ladwig, Albers, Jeskewitz, Vukmir, Sinicki, Miller and Krug:

Please accept this as my registration in support of the passage of Assembly Bill 250. I am familiar with the State Bar of Wisconsin's family law section opposition of the bill and have read the memorandums supplied to your committee dated August 5 and August 7, 2003.

I served in the 1973, 1975 and 1977 sessions of the legislature. I'm the father of four. I have paid child support for differing number of years with respect to each of my four children to their mothers, my two former wives. I am familiar with the genesis for the percentage of gross income system of setting child support and have always thought that it was way too rigid and generous. By way of comparison, Illinois, as I understand it, sets the percentage of support on net income, not gross income.

But most of all, whether child support be set on a percentage of income or at a fixed dollar amount, the system we have completely ignores reality. And that reality is that the income earned by the recipients of child support is ignored. And that is wrong. There is no justifiable reason why the income of a parent with primary physical placement should not be calculated into the equation by which the non-custodial parents' child support obligation is set. Assembly Bill 250, if adopted, would incorporate such a calculation into the equation. And well it should.

1. I disagree with the assertion made in the State Bar memorandum directed to your committee August 7, 2003 that it would dramatically and immediately reduce child support for the vast majority of Wisconsin families. For those families for whom child support paid by the parent without primary physical placement to the one with primary physical placement would go down: it darn well should. And I would surmise that that is not the vast majority of Wisconsin families. Moreover, it is not infrequent that under the present scheme of things child support is not used for that purpose but rather is used to supplement the income of the parent with primary physical placement and also the income of the subsequent spouse of that parent. To ignore that fact is, in my judgment, appalling.

2. The second argument advanced by the State Bar of Wisconsin, to wit: where the combined annual income of both parents exceeds $48,000.00 there would be a significant reduction in child support, ignores the mechanism incorporated into this bill to see to it that child support is related to how the income of each parent relates to the total income of both parents. That mechanism makes sense and does not constitute a "complex way of calculating child support."

3. Concerning the third assertion in the State Bar's memorandum, thank God Assembly Bill 250 is not the product of consensus. The alternative to this bill advanced in Clearinghouse Rule 03-022 does not address the primary problem that Assembly Bill 250 does: the Law ignoring the income of the parent with primary physical placement (to say nothing of the circumstance where that parent chooses to work less than forty hours a week or otherwise be unproductive in the work place and live, along with the child or children, on child support). The legislature and the governor need to strike a blow for fairness for all parties which the committee created by the former Department of Workforce Development Secretary Jennifer Reinhart, populated by various advocates, refused to do.

4. The threshold under current law for modifying support based upon the percentage of over night placement is too high and this bill changes that to a more reasonable threshold: twenty-five percent.

5. I agree that child support should meet more than just the basic needs of the child, but under the present scheme of things that is, more often than not, done by impoverishing the parent without primary physical placement. The best interests of the child ought to be on an equal plane and not above the best interests of both parents.

6. As alluded to before, the days of the one parent earner are over. While I am not hidebound on the notion that we ought to impute income based on a forty hour work week, permitting the Court to impute income to a parent with primary physical placement who wants to lay about and live on child support ought to be dealt with. Forty hours could probably be modified to thirty hours per week but the concept contained in Assembly Bill 250 in this regard is sound.

I could go on with respect to the other positions taken on this bill by the State Bar of Wisconsin but believe that for the reasons recited, this bill should receive the overwhelming support it deserves in the interest of fairness.

Thank you.

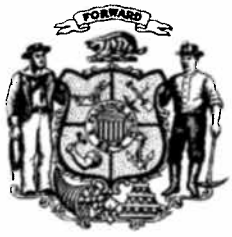
Sincerely,

John C. Gower
Attorney at Law

JCG/sms

cc: Representative Judy Krawczyk, Frank Lasee, Karl Van Roy,
John Ainsworth, Mark Gundrum
Hon. Alan J. Lasee, State Senator

WISCONSIN STATE LEGISLATURE



AB 250

Matzen, David

From: Jan Raz [jraz@wi.rr.com]
Sent: Wednesday, September 03, 2003 7:51 AM
To: sen.roessler@legis.state.wi.us
Cc: mark gundrum; mary lazich; gary george; terry musser; Steve.Kestell@legis.state.wi.us; Sen.Zien@legis.state.wi.us; carol owens
Subject: LRB 2485 - relating to use of the child support standard in special cases

Became SB257

I understand that you are circulating this bill for co-sponsorships.

LRB 2485 is a bill, that is intended to overrule two published appellate court decision regarding the application of Wisconsin's child support standard. There is no reason to overrule these decision, since one is a good decision and the other is being corrected by the new formula for shared placement cases proposed in CR03-022 and AB250/SB156.

Therefore the legislature should not support this proposal.

The two court decision are:

1. Randall v. Randall, 2000 WI App 98, 235 Wis. 2d 1, 612 N.W. 2d 737,

The Wisconsin Court of Appeals decided that, even though the administrative rule suggests the court MAY apply special provisions in the child support rule, a court is required to use the special provisions if the payer is a shared-time. Serial-family, or split-custody payer because the special method is part of the percentage standard, which the court is required to use under the statute. This is a good decision because it establishes uniformity and predictability for families relying on this rule to establish child support in these cases.

The courts currently have the discretion to deviate from applying the results of the child support standard, if they state a reason why the use of the formula is unfair. The state bar and the DWD would like the court to be able to arbitrarily choose (without stating a reason) if the special provision should be applied. This will result in significantly different outcomes in families in similar circumstances, will promote litigation over child support and is not good for Wisconsin families. Therefore the Randal decision should be allowed to stand.

2. Luciani v. Montemurro-Luciani, 199 Wis 2d 280, 544 N.W. 2d 561 (1996),

The Wisconsin Supreme Court affirmed the trial court's application of the child support standard in a case where the father had approximately 38% placement of two children and was ordered to pay 24% of his $30,000 income as child support to a mother that had a $120,000 income. The extremely unfair result in this case, was primarily due to the fact that the child support standard did not consider the incomes of both parents and there was no special formula for dealing with shared placement cases. This decision also demonstrates that the court's don't understand the economic need of children in shared placement families, since the trial court did not apply it's discretionary power to deviate from this standard to avoid this bad outcome.

The new formula for shared placement cases proposed in CR03-022 and AB250/SB156 fixes the problem in this case, and eliminates the need for the statutory changes proposed in this bill. Therefore the legislature should assure these new shared placement formulas become law and are applied in cases such as this, rather than supporting this bill.

If you have any further questions regarding this issue, feel free to contact

me.

Jan Raz - President
Wisconsin Fathers for Children and Families
http://www.wisconsinfathers.org
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Hales Corners, WI 53130
414 425-4866 fax 414 425-8405
e-mail; jraz@wi.rr.com


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AB 250

Kestell, Steve

From: Boehm, Rollie [Rollie.Boehm@earthtech.com]
Sent: Wednesday, September 03, 2003 1:52 PM
To: 'Rep.Kestell@legis.state.wi.us'
Subject: Child Support Rules

Dear Mr.. Kestell:

I wrote you an e-mail yesterday but forgot a couple of items that I believe bear consideration.

It seems that both proposed child support rules apply a 1.5 factor in cases of dual placement of the children. The factor seems extremely arbitrary and unsubstantiated. I can tell you with complete and utter confidence that my two boys do not:

eat 50% more food because they live in two homes.
their medical cost are not 50% more,
they do not get 50% more haircuts,
are not involved in 50% more extra-curricular activities,
do not wear 50% more clothes,
do not required 50% more pocket money,
their education costs are not 50% more,
and they do not consume 50% more energy.

The only, and I mean the only thing that is of significant difference is housing. And obviously both parents would need a place to live whether they had placement or not.

Using a factor of 1.0 (and 25%) the supposed cost of raising my/our two boys under the DWD proposal is $2020/month. Applying a factor of 1.5 increases it to $3,030, that is a difference of $1010!!!. There is no way in the world it costs me nor my x-wife $1,515 per month each to raise our children in a "nice" fashion. I estimate it costs me $600/month plus whatever you want to throw in there for "extra" housing needs. $200, $400, but certainly not $915 because that is more than my entire house payment.

On the other hand, my x-wife received our entire net worth and bought a house. So it really doesn't cost her one darn, little bitty extra to house our two boys part-time. It is is WRONG, WRONG, WRONG to apply a 1.5 factor. If you want my opinion, if your looking to use a factor than a factor of 1.2 would be most appropriate, that should account for the inefficiencies of supporting the children in two homes. Now, I do understand that your sponsored proposal reduces the percent as a function of combined income over $48,000. So there is at least some relief built into that component.

Having said that, I support your bill in a luke warm fashion because it more on target than the DWD proposed rule changes. Under the DWD proposed rule change, I would have to move into an apartment pure and simple. To show you how ludicrous the proposed DWD rule is I would owe my x-wife $735 per month and yet be responsible for 1/2 the costs. It doesn't even costs her $735/month to have our boys 1/2 time. I would then be working 60 hours and week to her 40 hours a week and be providing 100% of our children's support. And that is after a gave her a HUGE alimony buy-out settlement. HELPPPPPP[Boehm, Rollie] PPPP!!!!!!!!!!!!!!!!!!!!!!!!!!!!!!

Another angle that should be considered. When my x-wife and I were together we had a combined income of $70,000. Based on the 25% rule (for two children) we were supposedly spending $17,500 a year or $1,458 per month on our children (money well spent). And our two boys, as well as us, lived well (nice house, two cars, cable tv, cell phones, boys hockey, etc etc). Now that we are divorced my x-wife works full time and I work more hours, so our combined income is $97,000 per year. Under existing DWD rules we should now be spending

$2020 per month on our children, and if one used the proposed DWD rule we should be spending $3,030. Now just sit back and imagine that two years ago (pre divorce) we were spending $1,458 per month on our boys, and now DWD say we should be spending $3,030 per month. Why do I even try to get ahead when "we the working people of this State" have such IDIOTS sitting in institutionalized governmental positions (e.g. DWD) whom don't know their ass from a hole in the ground.

Rolland Boehm
Howards Grove, Wisconsin
565-2723


FORWARD
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The League of Women Voters of Wisconsin, Inc.

122 State Street, Madison, Wisconsin 53703-2500
608/256-0827 FX: 608/256-2853 EM: genfund@lwvwi.org URL: http://www.lwvwi.org

Testimony Opposing AB 250

Hearing of the Assembly Committee on Children and Families
Wednesday, September 10, 2003, 10:00 a.m. in Room 328, Northwest, State Capitol

TO: Steve Kestell, Chair, and members of the Assembly Committee on Children and Families

From: League of Women Voters of Wisconsin Inc.

The League Of Women Voters of Wisconsin opposes AB 250 and urgently requests the committee to adopt the Department of Workforce Development proposed changes to child support rules, DWD 40.

The Department's rule changes are the results from a broadly based advisory committee, representing both families and professionals. The committee worked for over a year to produce positive changes in the current law that will result in fairer treatment for all. Most important, it will promote the welfare of children in child support awards.

The League opposes AB 250 because it contains several provisions that will result in lower child support amounts.

1. AB 250 would begin to **reduce the percentage owed** at combined gross incomes of $48,000 per year, **below even the median income** in Wisconsin. (DWD 40 adjusts the percentage standard for high income payers at incomes of $102,000 and $150,000.)
2. Shared placement portion of AB 250 is not bad, by itself, (considering the income of both parents once placement is shared at 25/75% or higher), and DWD 40 contains similar provisions. However, together with the reduced obligation for higher income payers, the result is likely to be **substantial reductions in child support obligations**.
3. AB 250 is silent regarding low-income payers, but DWD 40 also includes a schedule of **reduced percentages for low-income payers** who are unable to pay the standard percentage amounts. The Office of the Inspector General (OIG) suggests that the best way to increase payments among low-income payers is to **set realistic child support orders** when compared to the payer's earnings, and then **raise the order gradually** as his/her income increases.

Thank you for your consideration of the above. Because of our long-term advocacy of legislation **benefiting the welfare of children**, the League will be closely monitoring legislative action and **ask you to support our views** on this important issue.


FORWARD

Matzen, David

From: Kestell, Steve
Sent: Monday, September 15, 2003 11:15 AM
To: Matzen, David
Subject: FW: CR 03-022/AB 250

-----Original Message-----
From: sunflower [mailto:sunflower@shadowfire.org]
Sent: Friday, September 12, 2003 11:26 AM
To: rep.kestell@legis.state.wi.us
Subject: CR 03-022/AB 250

I would appreciate if you would forward my comments to the Assembly Committee on Children and Families.

I was quite dismayed when I read this letter.

It is a conflict of interest to allow DWD to make Administrative Rule Changes. The people who work for DWD DIRECTLY benefit from keeping child support percentages as high as possible. They receive performance based percentages of the total amount of child support collected in federal incentives monies. These monies are used to support the child support enforcement program in a state. That equates to salaries of DWD employees. If the total amount of child support collected goes down, the federal incentive monies would decrease and there would be less money available for salaries of DWD employees.

The decreases in percentages offered in CR 03-022's high income bracket will affect less than 1% of the noncustodial parents in this state. Thousands of middle/high income payors will continue to pay alimony in guise of child support.

Allowing CR 03-022 will allow the situation where noncustodial parents who do not get to keep enough of their salary to exercise visitation to continue. Thousands of middle income noncustodial parents pay so much of their salary in child support that they cannot provide adequate housing or food for their children during visitation. Numerous studies have proved that children who do not have both parents in their lives have a significantly higher rate of involvement in crime, drug abuse, etc. These children are the future of our country. Shouldn't we all be doing everything in our power to protect them.

Considering the fact that 33 states now utilize the income shares formula and only 3 states use the Wisconsin model, I would say that the 33 states utlizing income shares have found a significant number of studies supporting the fact that the Wisconsin model exceeds the costs of raising children. DWD is using Van der Gaag's far outdated study from years ago to justify the high percentages that currently exist. Numerous economists and experts in child support have stated that the Wisconsin model far exceeds the cost of raising children. The expert that DWD brought in for committee hearings (Robert Williams) stated that current child support percentages in Wisconsin far exceeded the cost of raising children. Mr. Williams' testimony was ignored by the committee.

AB 250 would provide monies to allow both parents support of their children.

Thank You
Daniel and Andrea Laack
1169B Burr Oak Blvd
Waukesha, WI 53189
262-650-7753

Wisconsin Fathers for Children and Families
http://www.wisconsinfathers.org

Wisconsin Women for Equality in Family Law

http://www.fairlaw.net

September 10, 2003

Secretary Roberta Gassman
Department of Workforce Development
201 East Washington Avenue, Rm 400 X
Madison, WI 53707

Dear Secretary Gassman,

I am writing to inform you of the recent action taken by the Assembly Committee on Children and Families regarding Clearinghouse Rule 03-022, relating to child support guidelines.

As you know, the Committee held a public hearing on Clearinghouse Rule 03-022 on August 7, 2003. During the executive session held today, the Committee voted 5-2 to request the Department of Workforce Development to consider modifications to Clearinghouse Rule 03-022.

The modifications requested by the Committee for the Department to consider are as follows:

To lower the income threshold at which a payer may be subject to the high-income payer percentage standard.

To require courts use the percentage standard for high-income payers when a parent is found to be a high-income payer.

To address concerns that, when current child support obligations are modified using the standards created in the proposed rule, payers who have substantially equal periods of physical placement with the payee will be ordered to pay a significantly increased amount of child support.

To require courts to consider a parent's recent education, training and work experience, and earnings; the parent's current physical and mental health; the parent's history of child care responsibilities as the parent with primary placement or during the marriage, if applicable; and the availability of work in or near the parent's community when imputing income.

The Committee requests the Department to respond to these considerations by October 23, 2003.

Sincerely,

Steve Kestell, Chair
Assembly Committee on Children and Families
--

Andrea Laack
sunflower@shadowfire.org


FORWARD

Matzen, David

From: Kestell, Steve
Sent: Tuesday, September 16, 2003 7:02 AM
To: Matzen, David
Subject: FW: AB 250 testimony-corrected

Please add to the file. I have already respnded.

-----Original Message-----
From: Cornerstone Community Farm [mailto:joyfullife@mwt.net]
Sent: Wednesday, September 10, 2003 4:30 PM
To: rep.kestell@legis.state.wi.us
Cc: johnshort@idcnet.com; joyfullife@mwt.net
Subject: AB 250 testimony-corrected

Dear Representative Kestell,

How our family court system has destroyed my farm and family:

At the Senate hearing regarding AB250/SB156 Atty. John Short, Chair of the WI Bar Family Law Committee testified against the bill. Part of his testimony included statements that 95% of cases settle. Atty. Short implied that Mr. Jan Raz (WFCF president) would not have lasted as a client of Atty. Short because he settles his cases. Atty. Short implies that PROBLEM parents do not settle.

I believe the Legislature needs to know what happens to real people in the real world.

I rearranged by work to be able to care for our daughter full time and still work to save our family $500/month in day care costs. My income was reduced to be able to care for my daughter. The court wrote our a reduction in child support of a mere $100. Then the court asked mom if the reduction was OK. She conferred with her atty. then stated "no". The court then put a single line thru the child support reduction and wrote that mom wants the child support left the same. (Racine Co. case # 96FA912)

In other words, "in the best interests of children" really means in the best interest of mother...

My then attorney urged me to sign the marital settlement agreement because if i did not, the court would "give me a even worse deal than that proposed by mothers atty."

So yes, I settled.
I was forced to.
Is this fair?
Is this in the best interests of children?
Is this what the Legislature had in mind?
Is this what our Constitution has in mind?

SENATE TESTIMONY
I submitted these comments to the Senators and also a page of HATE from the M.A.F.I.A. web site.
(Mothers Against Father In Arrears)
Notice the assumption in the web site that ONLY FATHERS PAY CHILD SUPPORT.

August 26, 2003

Dear Legislator,

I'm a small organic dairy/produce farmer who is being destroyed by the divorce industry. I've had to resort to being a hired hand on a large dairy, while trying to revive my farm.

My daughter has been harmed by the expense of six years of litigation. Money that could have been available for vacations, bills, or other family needs has been diverted to lawyers, psychologists, and social workers. Bankruptcy is my only option.

My farm has now been reduced to 3 rented acres producing vegetable and strawberries. I have one bred heifer, and hope to begin direct marketing her milk to friends next summer. I've lost the real estate I owned prior to meeting my wife. I've sold my personal belongings including power tools needed for farming. I have even had to sell the herd of cows I started post-divorce to pay for a Psychologist, GAL fees, and other litigation expenses.

My daughter's mother and her husband earn FIVE times my income, and can afford lawyers, while I have to handle my own case.

PLEASE SUPPORT AB 250 and SB 156.
Please SUPPORT amendment 1 regarding using ACTUAL income v. imputed income and removing interest penalties for parents who are unable to pay for reasons beyond their control.

1. The goal of the OCSE of providing a "standard of living comparable to that the child would have enjoyed had divorce not occurred" is mathematically impossible for low/middle income parents.
2. Child support is "hidden alimony" for high/middle income payers.
3. Both parents should directly support their children.
4. Child Support "AWARDS" promote custody litigation.
5. State dollars have been wasted due do my receiving food stamp monies(year round) and Badger care (summers only) which would not have arisen if not for the litigation.
6. Divorce industry "professionals" have a biased financial stake in family law.
7. Judicial discretion must not be allowed to emotionally and financially abuse fathers...Kids NEED BOTH PARENTS...

At the AB 250 hearing, the lawyer from the state bar family law committee testified that child support was needed because he felt it was fair "MOTHER SHOULD BE FINANCIALLY REWARDED FOR GETTING UP WITH SICK CHILDREN IN THE MIDDLE OF THE NIGHT!"
Why not let BOTH MOTHER AND FATHER GET UP WITH SICK CHILDREN?
In my case, two of my daughter's three ear infections happened while with dad, and I gladly got up and took care of our daughter. Our state laws drastically limit fathers from enjoying the hardships and joys of parenting.

My daughter is doing well, I managed to home school her while still farming. She will soon be 12 years old.
I REFUSED child support because it is unconstitutional and not moral, even though my net income was only 12,000 per year.
(parents are supposed to take care of children, not the government)
She tested 1-2 grades ahead of other kids, depending on the subject, and was active in
4-H, church, and neighbor friends, and private lessons. A judge decided 1-2 grades ahead of other children is not good enough-custody back to mother WITH child support.

In the last four years I've been the only person to have a custody decision reversed by the Court of Appeals. (PRO SE August 2000) I'm AGAIN in the Court of Appeals...with a stronger case than 2000.

After passing this legislation, please re-work the custody law to

require shared parenting.
Despite your good intentions, the reform of year 2000 is routinely ignored by MANY judges. The law must be changed to require biased/bad judges to provide TWO PARENTS for Wisconsin children. Children need more than "wallet dads."

PLEASE REMOVE JUDICIAL DISCRETION SO PARENTS DO NOT HAVE TO FIGHT FOR THE CONSTITUTIONAL RIGHT TO BE EQUAL PARENTS....AND CAN SUPPORT THEIR KIDS DIRECTLY THE WAY MARRIED PARENTS DO...

Attached please find a page from the internet: mafia-usa.com. (MAFIA-Mothers Against Fathers In Arrears)

The web page shows the group acknowledges that studies show BOTH parents need to be involved in raising their child, and children with both parents involved are better adjusted and pay child support more regularly.

You will see the true battle is over mothers not wanting to share custody and desiring tax- free income (child support).

Please help save families...

Very Truly Yours,

Keith Trost
Cornerstone Community Farm
S 2401 Haugh Road
LaFarge, WI 54639
608-489-3907

joyfullife@mwt.net


FORWARD
E PLURIBUS UNUM

Matzen, David

From: Kestell, Steve
Sent: Friday, September 19, 2003 11:55
To: Matzen, David
Subject: FW: AB 250

-----Original Message-----
From: HBSandK@aol.com [mailto:HBSandK@aol.com]
Sent: Friday, September 19, 2003 11:51 AM
To: rep.kestell@legis.state.wi.us
Cc: rep.ladwig@legis.state.wi.us
Subject: AB 250

Dear Rep. Kestell:

I am a former Wisconsin Bar Family Law State Board member and practitioner for 24 years in Racine. I have actively participated in previous legislative changes and in the debates relating to the current child support proposal. I represent payors and payees.

I understand that your committee is proceeding on the rule changes to DWD 40 instead of AB 250. This is definitely in the best interests of children and is a balanced approach to competing interests.

As to the remaining issues referred back to the Department, I would comment as follows:

1. The income threshold recommended by the Department is appropriate. Incomes over $100,000 are not uncommon in professional groups. Families with those incomes spend it on their children--gymnastics, music lessons, dance lessons, travel, sports including lessons and travel, camp, parochial or private schools, YMCA or YWCA memberships, scouting, church groups, homecoming/proms, and the list goes on. If there are young children, child care is huge.

The lowered 25% income comparison threshold will lower the contribution from the higher income payer. The threshold itself should not be lowered.

2. No courts should be required to use the percentage standard. Each case is different. If it is presumptive, then deviation is possible based upon unusual circumstances.

3. Payers with substantially equal placement should pay substantially more, especially in high/low income cases. The present formula is a joke. The high income person pays so little that the children end up with very different standards of living in the two households.

4. Substantial considerations for imputing income are in the proposed rule. While roles during the marriage are certainly considered, it is also a fact that roles change in divorce. The parties need to face the financial realities of divorce. Being a stay-at-home mom is not one of them just because that was the role during the marriage. Very few can afford it.

Judith M. Hartig-Osanka


FORWARD
PLURIBUS UNUM

Matzen, David

From: Kestell, Steve
Sent: Monday, September 29, 2003 6:09
To: Matzen, David
Subject: FW: AB-250

-----Original Message-----
From: Wade and Kristi [mailto:wkgiese@wctc.net]
Sent: Saturday, September 27, 2003 5:47 PM
To: Rep. Steve Kestell
Subject: AB-250

Wade A. Giese
4165 State Highway 173
Nekoosa, WI 54457

September 24, 2003

Representative Steve Kestell
Room 17 West
State Capitol
P.O. Box 8952
Madison, WI 53708-8952

Dear Representative Steve Kestell:

I am writing to you regarding AB 250, a proposal that would change the way child support is calculated in Wisconsin. I am asking that you support this bill and send it to the Senate floor for a vote.

I am a divorced father of one child, age 12. I am presently remarried with two other children, ages 4 and 2. I have a good paying job, but because of my current child support obligation, I am not able to provide for my current family, as I should. We have placement of my oldest child alternate weekends and two weeks in the summer, which is 18% placement annually. We would like to get placement of my oldest child more than we do, however we just can not afford to.

My wife and I have had some hard times trying to make ends meet. We have had to be very creative with our finances as to provide for our two children. We have never been able to buy our children new bedroom furniture, - not even a new crib - take them on a family vacation and we buy the majority of their clothing from second-hand stores. However, my ex-wife has been able to purchase my first child two or three new bedroom sets, take her on vacations to Disneyland and Great America and clothes shopping in Chicago. I don't feel this is fair.

When my wife had our first child, we could only afford for her stay home for one week. Fortunately, she had gotten a new job before we had our second child and she was able to stay home for six weeks. My ex-wife had a child the same year that we had our second child and was able to stay home for twelve weeks. What is fair about that?

The formulas in AB 250 consider the income of both parents, and provide for the realistic economic needs of children. The serial family provision recognizes that a parent may have other children to support directly and provides for similar treatment of all the children regardless of their birth order. The shared placement provision recognizes that parents caring for their children, incur direct expenses for their children, and thus deserve a fairer child support obligation. These provisions would help me tremendously, allowing me to provide equally for all my children.

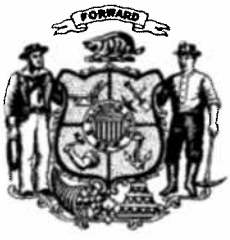
I strongly believe this would benefit all children and families in Wisconsin by making child support more reasonable, thus allowing both parents to care for their children. It would also help serial families provide equally for all their children, so that all of their children can enjoy the same standard of living.

Any assistance you can provide to get this bill passed would be greatly appreciated. If you would like to discuss this more, please call me at 715-886-5339, or email me at wkgiese@wctc.net. Thank you for your attention to this issue.

Sincerely,

Wade A. Giese

WISCONSIN STATE LEGISLATURE



Theresa Winch
7763 Hwy 186
Arpin, WI 54410

October 2, 2003

Steve Kestell
Room 17 West – State Capitol
PO Box 8952
Madison, WI 53708-8952

Dear Steve Kestell:

I am writing you regarding AB250, a proposal that would change the way child support is calculated in Wisconsin. I am asking that you support this bill, which involves realistic economic data on the cost of raising children.

I am a divorced mother of 3 children. I have the children on alternate weekends, 2 hours – 1 night a week, and 5 weeks in the summer, which totals 122 overnights.

I originally had primary placement and received the child support. Therefore, I can tell you I did NOT need the amount the law was requiring.

Since then my ex-husband has used our children as a financial tool to his benefit. He now has primary placement and I pay the child support. We had agreed on a set amount, which was fair for both of us economically. However, I recently was taken back to court and now am required to increase my payments substantially, which is no longer economically fair to both parents.

Due to this my children's lifestyle when they are with me will be dramatically changed. I will no longer be able to afford to buy them clothes, gifts, a trip to a restaurant, or a special vacation. However, my ex-husband will be able to spend extravagantly for them. This is not fair, especially to the children, as they will have to live with one parent in poverty and the other in luxury.

The formulas in AB250 consider the income of both parents and provide for the realistic economic needs of the children as well as both parents. Implementing a fairer child support obligation would allow children to enjoy both parents equally.

I strongly believe getting this bill passed would benefit all children and families in Wisconsin by requiring equal economic responsibilities. It would eliminate the financial strain incurred on unnecessary attorney fees, court cost, and lost time at work and home. Thus, resulting in Wisconsin's children living happier and healthier lives and parents being able to provide equal economic stability.

Any assistance you can provide to get this bill passed, quickly, would be greatly appreciated. If you would like to discuss this more, please call me at 715-569-3627.

Sincerely,

Theresa Winch

Theresa Winch


FORWARD
E PLURIBUS UNUM

William A. Winch
6814 Highway 186
Vesper, WI 54489

October 3, 2003

Representative Steve Kestell
Room 17 West
State Capitol
P.O. Box 8952
Madison, WI 53708-8952

Dear Representative Steve Kestell:

I am writing to you regarding AB 250, a proposal that would change the way that child support is calculated in Wisconsin. I am asking that you support this bill and send it to the floor for a vote.

I am a grandparent that is concerned about how the current child support laws are affecting my children and grandchildren. One of my children is currently paying child support for three children. Two of the three children do not even speak to her due to an ugly custody battle that took place a couple of years ago. This custody battle was motivated for financial reasons, not motivated by what was in the best interest of the children.

My daughter was recently taken back to court for more child support and is now paying more support than she can afford to. She will probably be forced to refinance her mortgage in order to afford the support obligation she was assessed. Because of the custody battle that has deteriorated her relationship with her children, my daughter (and every other member of our family) only gets to see the youngest child.

The formulas in AB 250 consider the income of both parents, and provide for the realistic economic needs of children. It also eliminates unjustified economic incentives, which tend to treat children as trophies to be won or lost in a custody and placement battle. For both reasons, AB 250 allows for a much fairer child support obligation.

I strongly believe this would benefit all children and families in Wisconsin by making child support more reasonable, thus allowing both parents to care for their children. Children where both parents are involved in their lives regularly, exhibit better performance in school, higher self-esteem, and lower levels of substance abuse, and teenage pregnancy.

Any assistance you can provide to get this bill passed would be greatly appreciated. If you would like to discuss this more, please call me at 715-569-4885. Thank you for your attention to this issue.

Sincerely,

William A. Winch


FORWARD
E PLURIBUS UNUM

October 9, 2003

Steve Kestell
Room 17 West – State Capitol
PO Box 8952
Madison, WI 53708-8952

Dear Steve Kestell:

I am writing you regarding AB250, a proposal that would change the way child support is calculated in Wisconsin. I am asking that you support this bill.

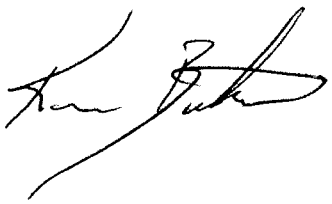
I am a divorced father with 2 children, who are now 23 and 21. Therefore, I am no longer paying child support. However, during the years I did pay child support I found it hard to survive. I could barely provide for myself, let alone the children during visitation. During those years, my ex-wife was making approximately $30,000 as well as receiving the child support and still neglected to appropriately recognize the economic needs for the children.

The formulas in AB250 consider the income of both parents, as well as the cost of raising children. This would have helped my children and me tremendously. I would have been more able to provide for the economic needs of my children. Thus the children would have had at least one parent taking the responsibility of meeting the needs of raising them.

Getting this billed passed will no longer help me, nor my children. However, I truly believe changes must occur in the calculating of child support obligations and passing this bill would achieve that. I strongly believe Wisconsin would see more jobs becoming available as the parent paying child support should no longer have to work 2 jobs in order to make ends meet. Also, the economy would turn around, as we would see 2 parents contributing, instead of just the one receiving child support.

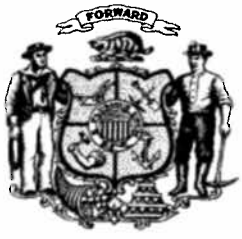
Any assistance you can provide to get this bill passed would be appreciated. If you would like to discuss this more, please call me at 715-569-3627.

Sincerely,



Ken Bagnowski
7763 Hwy 186
Arpin, WI 54410


WISCONSIN STATE LEGISLATURE


FORWARD

Date??

Representative Steve Kestell and Members of the Children and Families Committee:

Please support AB 250. This bill would improve Wisconsin child support policy in the following ways:

- Under the current policy only the income of the non-custodial parent is considered. This results in situations like the Luciani Supreme Court case where money from a modest income father is transferred to household earning several hundred's of thousands of dollars. Over 40 states in the US already consider the income of both parents. Wisconsin persists in an antedated and inequitable system.
- The child support percentages under current policy were based solely on low-income families. For higher income families, those making $50,000 or more a year, child support payments exceed the average actual expenditures on the child. For these families, child support becomes disguised alimony payments to an ex-spouse. AB 250 will do away with child support becoming maintenance in disguise for ex-spouses.
- Under AB 250 child support will be based on the actual hours you take care of your child, not the number of overnights per year. Parents typically spend money on their children when the children are awake, not sleeping.
- It will consider of the non-custodial parents expenses in his/her caring of the children once one reaches the 15% threshold, not the current 40%.
- Child from a first marriage will no longer be more entitled to the resources of the non-custodial parent than children from a current marriage.
- The current system creates a winner and loser situation. The rewards of winning child custody are so great that parents are willing to litigate to great lengths. AB 250 would reduce much of the animosity and resentment that so frequently surface with Wisconsin divorces.

Thank you,

Clair Wiederholt
Psychology and Men's Studies Instructor
Madison Area Technical College


FORWARD

Date ??

Comments regarding the Fiscal Estimate prepared by the DWD for AB 250

The Fiscal Estimate for this bill, prepared by Connie Chesnick on behalf of the DWD on 4/9/03, contains blatant misrepresentations of this legislative proposal and further demonstrates how the Department continues to deceive or misinform the legislature. It demonstrates why the legislature needs to take the responsibility for this standard away from the Department of Workforce Development and establish a new child support standard by statutes.

The correct facts in regard to two of the major misrepresentation in this fiscal estimate are.

Misrepresentation 1: "The formula is likely to lead to lower child support orders across all income levels and thereby potentially increase reliance on public assistance."

Correct Facts: AB 250 does not change the existing child support orders in cases where the combined income of both parents is less than $48,000/year. This results in a minimum support of $680 and $1000 per month, for one and two children respectively, before any reduction in child support would begin. AB 250 also requires courts to also consider child day care expenses in all cases.

In more than half the cases and in almost all cases involving public assistance, there would be no reduction in the child support amounts.

Misrepresentation #2. The sentences in the second to last paragraph, which read "can result in major disparities between the standard of living in the custodial household and the non custodial household" and "The new formula is likely to decrease income available to the custodial parent and increase reliance on public assistance." is similarly a misrepresentation of this bill or an intentional attempt to mislead legislators.

Correct Facts: The example cited a case with two children where the custodial parent has an annual income on $20,000, the non-custodial parent has an income of $60,000, ($80,000 total family income):

1. This example does not support the claim of reliance on public assistance since it represents a family with a combined income of $80,000.

2. This example does not consider a maintenance order, which may be appropriate when the custodial parent's income is significantly less than the non-custodial parents income.

3. This example does not consider the tax-free aspect of the child support order.

4. The department again makes a deliberate attempt to mislead the legislature by suggesting that after application of the formula proposed in AB250 in a case results in the disposable income of the custodial parent being $30,000 and the non-custodial parent being $63,000. How can the family wind up with $93,000 when the family's income is only $80,000? The correct resultant gross income after child support for the custodial parent is $32,000 and the non-custodial parent is $48,000. This total is $80,000. However after tax liabilities and earned income credits are considered, the NET income adjusted for child support of the custodial parent is approximately $33,000 and the non-custodial parent $30,000.

5. This example fails to include a balanced perspective since it does not include an example where the income of the greater placement parent is similar or higher to the lesser placement parent's. In such cases there is a significantly lower standard of living in the lesser placement parent's household resulting from the current child support standard that would be corrected under this bill.

6. AB 250 strives to make sure both parents have sufficient funds for to provide for their children during their respective placement periods.