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SHB 2302 - S COMM AMD By Committee on Law & Justice

OUT OF ORDER 03/06/2020

- 1 Strike everything after the enacting clause and insert the 2 following:
- 3 "Sec. 1. RCW 26.19.011 and 2005 c 282 s 35 are each amended to 4 read as follows:
- 5 Unless the context clearly requires otherwise, the definitions in 6 this section apply throughout this chapter.
 - (1) "Basic child support obligation" means the monthly child support obligation determined from the economic table based on the parties' combined monthly net income and the number of children for whom support is owed.
- 11 (2) "Child support schedule" means the standards, economic table, 12 worksheets, and instructions, as defined in this chapter.
- 13 (3) "Court" means a superior court judge, court commissioner, and 14 presiding and reviewing officers who administratively determine or 15 enforce child support orders.
- 16 (4) "Deviation" means a child support amount that differs from the standard calculation.
- 18 (5) "Economic table" means the child support table for the basic 19 support obligation provided in RCW 26.19.020.
- 20 (6) "Full-time" means the customary number of maximum,
 21 nonovertime hours worked in an individual's historical occupation,
 22 industry, and labor market. "Full-time" does not necessarily mean
 23 forty hours per week.
- 24 <u>(7)</u> "Instructions" means the instructions developed by the 25 administrative office of the courts pursuant to RCW 26.19.050 for use 26 in completing the worksheets.
- 27 $((\frac{(7)}{)})$ <u>(8)</u> "Standards" means the standards for determination of child support as provided in this chapter.
- $((\frac{(8)}{(8)}))$ "Standard calculation" means the presumptive amount of child support owed as determined from the child support schedule before the court considers any reasons for deviation.

- (((9))) (10) "Support transfer payment" means the amount of money the court orders one parent to pay to another parent or custodian for child support after determination of the standard calculation and deviations. If certain expenses or credits are expected to fluctuate and the order states a formula or percentage to determine the additional amount or credit on an ongoing basis, the term "support transfer payment" does not mean the additional amount or credit.
- 8 $((\frac{(10)}{(10)}))$ <u>(11)</u> "Worksheets" means the forms developed by the 9 administrative office of the courts pursuant to RCW 26.19.050 for use 10 in determining the amount of child support.
- 11 **Sec. 2.** RCW 26.19.071 and 2011 1st sp.s. c 36 s 14 are each 12 amended to read as follows:
 - (1) Consideration of all income. All income and resources of each parent's household shall be disclosed and considered by the court when the court determines the child support obligation of each parent. Only the income of the parents of the children whose support is at issue shall be calculated for purposes of calculating the basic support obligation. Income and resources of any other person shall not be included in calculating the basic support obligation.
 - (2) **Verification of income**. Tax returns for the preceding two years and current paystubs shall be provided to verify income and deductions. Other sufficient verification shall be required for income and deductions which do not appear on tax returns or paystubs.
 - (3) Income sources included in gross monthly income. Except as specifically excluded in subsection (4) of this section, monthly gross income shall include income from any source, including:
- 27 (a) Salaries;
- 28 (b) Wages;

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- (c) Commissions;
- 30 (d) Deferred compensation;
- 31 (e) Overtime, except as excluded for income in subsection (4)(i) 32 of this section;
 - (f) Contract-related benefits;
- 34 (g) Income from second jobs, except as excluded for income in 35 subsection (4)(i) of this section;

- 36 (h) Dividends;
- 37 (i) Interest;
- 38 (j) Trust income;
- 39 (k) Severance pay;

- 1 (1) Annuities;
- 2 (m) Capital gains;
- 3 (n) Pension retirement benefits;
- 4 (o) Workers' compensation;
- 5 (p) Unemployment benefits;
- 6 (q) Maintenance actually received;
- 7 (r) Bonuses;
- 8 (s) Social security benefits;
- 9 (t) Disability insurance benefits; and
- 10 (u) Income from self-employment, rent, royalties, contracts, 11 proprietorship of a business, or joint ownership of a partnership or 12 closely held corporation.
- 13 (4) Income sources excluded from gross monthly income. The 14 following income and resources shall be disclosed but shall not be 15 included in gross income:
- 16 (a) Income of a new spouse or new domestic partner or income of other adults in the household;
 - (b) Child support received from other relationships;
- 19 (c) Gifts and prizes;

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- 20 (d) Temporary assistance for needy families;
- 21 (e) Supplemental security income;
- 22 (f) Aged, blind, or disabled assistance benefits;
- 23 (g) Pregnant women assistance benefits;
 - (h) Food stamps; and
- 25 (i) Overtime or income from second jobs beyond forty hours per 26 week averaged over a twelve-month period worked to provide for a 27 current family's needs, to retire past relationship debts, or to 28 retire child support debt, when the court finds the income will cease 29 when the party has paid off his or her debts.
 - Receipt of income and resources from temporary assistance for needy families, supplemental security income, aged, blind, or disabled assistance benefits, and food stamps shall not be a reason to deviate from the standard calculation.
- 34 (5) **Determination of net income.** The following expenses shall be disclosed and deducted from gross monthly income to calculate net monthly income:
 - (a) Federal and state income taxes;
 - (b) Federal insurance contributions act deductions;
- 39 (c) Mandatory pension plan payments;
- 40 (d) Mandatory union or professional dues;

(e) State industrial insurance premiums;

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- (f) Court-ordered maintenance to the extent actually paid;
- (g) Up to five thousand dollars per year in voluntary retirement contributions actually made if the contributions show a pattern of contributions during the one-year period preceding the action establishing the child support order unless there is a determination that the contributions were made for the purpose of reducing child support; and
- (h) Normal business expenses and self-employment taxes for self-employed persons. Justification shall be required for any business expense deduction about which there is disagreement.

Items deducted from gross income under this subsection shall not be a reason to deviate from the standard calculation.

- (6) Imputation of income. The court shall impute income to a parent when the parent is voluntarily unemployed or voluntarily underemployed. The court shall determine whether the parent is voluntarily underemployed or voluntarily unemployed based upon that parent's ((work history, education,)) assets, residence, employment and earnings history, job skills, educational attainment, literacy, health, ((and)) age, criminal record, dependency court obligations, and other employment barriers, record of seeking work, the local job market, the availability of employers willing to hire the parent, the prevailing earnings level in the local community, or any other relevant factors. A court shall not impute income to a parent who is gainfully employed on a full-time basis, unless the court finds that the parent is voluntarily underemployed and finds that the parent is purposely underemployed to reduce the parent's child support obligation. Income shall not be imputed for an unemployable parent. Income shall not be imputed to a parent to the extent the parent is unemployed or significantly underemployed due to the parent's efforts to comply with court-ordered reunification efforts under chapter 13.34 RCW or under a voluntary placement agreement with an agency supervising the child. $((\frac{1}{1}))$
- (a) Except as provided in (b) of this subsection, in the absence of records of a parent's actual earnings, the court shall impute a parent's income in the following order of priority:
 - $((\frac{a}{a}))$ (i) Full-time earnings at the current rate of pay;
- 38 (((b))) <u>(ii)</u> Full-time earnings at the historical rate of pay 39 based on reliable information, such as employment security department 40 data;

- (((c))) (iii) Full-time earnings at a past rate of pay where 2 information is incomplete or sporadic;
- (((d))) <u>(iv) Earnings of thirty-two hours per week at minimum</u> wage in the jurisdiction where the parent resides if the parent is on or recently coming off temporary assistance for needy families or recently coming off aged, blind, or disabled assistance benefits, pregnant women assistance benefits, essential needs and housing support, supplemental security income, or disability, has recently been released from incarceration, or is a recent high school graduate. Imputation of earnings at thirty-two hours per week under this subsection is a rebuttable presumption;
 - (v) Full-time earnings at minimum wage in the jurisdiction where the parent resides if the parent has a recent history of minimum wage earnings, ((is recently coming off public assistance, aged, blind, or disabled assistance benefits, pregnant women assistance benefits, essential needs and housing support, supplemental security income, or disability, has recently been released from incarceration, or is a high school student)) has never been employed and has no earnings history, or has no significant earnings history;
 - (((e))) <u>(vi)</u> Median net monthly income of year-round full-time workers as derived from the United States bureau of census, current population reports, or such replacement report as published by the bureau of census.
 - (b) When a parent is currently enrolled in high school full-time, the court shall consider the totality of the circumstances of both parents when determining whether each parent is voluntarily unemployed or voluntarily underemployed. If a parent who is currently enrolled in high school is determined to be voluntarily unemployed or voluntarily underemployed, the court shall impute income at earnings of twenty hours per week at minimum wage in the jurisdiction where that parent resides. Imputation of earnings at twenty hours per week under this subsection is a rebuttable presumption.
 - NEW SECTION. Sec. 3. (1) The legislature finds that a large number of justice-involved individuals owe significant child support debts when they are released from incarceration.
 - (2) The legislature finds that these child support debts are often uncollectible and unduly burdensome on a recently released justice-involved individual, and that such debts severely impact the

- ability of the person required to pay support to have a successful reentry and reintegration into society.
 - (3) The legislature finds that there is case law in Washington, In re Marriage of Blickenstaff, 71 Wn. App. 489, 859 P.2d 646 (1993), providing that incarceration does not equate to voluntary unemployment or voluntary underemployment.
 - (4) The legislature finds that there is a statewide movement to assist justice-involved individuals reenter and reintegrate into society, and to reduce state-caused pressures which tend to lead to recidivism and a return to jail or prison.
 - (5) The legislature finds that, although there is currently a statutory process for modification of child support orders, it is in the best interests of the children of the state of Washington to create a process of abatement instead of making it the sole responsibility of the justice-involved person to take action to deal with his or her child support obligation while incarcerated.
 - (6) The legislature intends, therefore, to create a remedy whereby court or administrative orders for child support entered in Washington state may be abated when the person required to pay support is incarcerated for at least six months and has no income or assets available to pay support.
 - (7) The legislature also intends to ensure that the abatement will not reduce any amounts of child support owed to the custodial parent. The legislature intends that the abatement provisions in this act will only apply for indigent incarcerated offenders where the custodial parent is receiving public assistance and will not result in a reduction of child support payments.
 - (8) The goal of this act is to ensure that the obligor parent makes the largest child support monthly payment amount as possible to comply with an order for child support, notwithstanding other provisions related to abatement herein.
- NEW SECTION. Sec. 4. A new section is added to chapter 26.09
 RCW to read as follows:
- 34 (1) When a child support order contains language providing for 35 abatement based on incarceration of the person required to pay child 36 support, there is a rebuttable presumption that an incarcerated 37 person is unable to pay the child support obligation. Unless the 38 presumption is rebutted, the provisions of subsection (3) of this 39 section apply.

(2)(a) If the child support order does not contain language providing for abatement based on incarceration of the person required to pay support, the department, the person required to pay support, the payee under the order, or the person entitled to receive support may commence an action in the appropriate forum to:

- (i) Modify the support order to contain abatement language; and
- (ii) Abate the person's child support obligation due to current incarceration for at least six months.
- (b) In a proceeding brought under this subsection, there is a rebuttable presumption that an incarcerated person is unable to pay the child support obligation. The department, the payee under the order, or the person entitled to receive support, may rebut the presumption by demonstrating that the person required to pay support has possession of, or access to, income or assets available to provide support while incarcerated.
- 16 (c) Unless the presumption is rebutted, the provisions of subsection (3) of this section apply.
 - (3) If the court or administrative forum determines that abatement of support is appropriate:
 - (a) The child support obligation under that order will be abated to ten dollars per month, without regard to the number of children covered by that order, while the person required to pay support is confined in a jail, prison, or correctional facility for at least six months or is serving a sentence greater than six months in a jail, prison, or correctional facility. Either the department, the payee under the order, or the person entitled to receive support may rebut the presumption by demonstrating the person required to pay support has possession of, or access to, income or assets available to provide support while incarcerated.
 - (b) If the incarcerated person's support obligation under the order is abated as provided in (a) of this subsection, the obligation will remain abated to ten dollars per month through the last day of the third month after the person is released from confinement.
 - (c) After abatement, the support obligation of the person required to pay support under the order is automatically reinstated at fifty percent of the support amount provided in the underlying order, but may not be less than the presumptive minimum obligation of fifty dollars per month per child, effective the first day of the fourth month after the person's release from confinement. Effective one year after release from confinement, the fifty percent abatement Code Rev/JO:jlb

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is automatically terminated, and the support obligation of the person required to pay support under the order is automatically reinstated at one hundred percent of the support amount provided in the underlying order.

- (i) Upon a showing of good cause by a party that the circumstances of the case allow it, the court or administrative forum may add specific provisions to the order abating the child support obligation regarding when and how the abatement may terminate.
 - (ii) During the period of abatement, the department, the person required to pay support, the payee under the order, or the person entitled to receive support may commence an action to modify the child support order under RCW 26.09.170 or 74.20A.059, in which case the provision regarding reinstatement of the support amount at fifty percent does not apply.
- (d) If the incarcerated person's support obligation under the order has been abated as provided in (a) of this subsection and then has been reinstated under (c) of this subsection:
- (i) Either the department, the person required to pay support, the payee under the order, or the person entitled to receive support may file an action to modify or adjust the order in the appropriate forum, if:
- 22 (A) The provisions of (c)(i) and (ii) of this subsection do not 23 apply; and
 - (B) The person required to pay support has been released from incarceration.
 - (ii) An action to modify or adjust the order based on the release from incarceration of the person required to pay support may be filed even if there is no other change of circumstances.
 - (4) If the incarcerated person's support obligation under the order has been abated as provided in subsection (3)(a) of this section and then reinstated under subsection (3)(c) of this section, and the department receives information from employer new hire reports or other sources that the person required to pay support has been employed after release from incarceration, the department must conduct a review of the child support order to determine whether the order should be modified or adjusted.
 - (5) The effective date of abatement of a child support obligation based on incarceration to ten dollars per month per order is the date on which the person required to pay support is confined in a jail, prison, or correctional facility for at least six months or begins Code Rev/JO:jlb 8 S-6970.4/20 4th draft

- serving a sentence greater than six months in a jail, prison, or correctional facility, regardless of when the department is notified of the incarceration. However:
 - (a) The person required to pay support is not entitled to a refund of any support collections or payments that were received by the department prior to the date on which the department is notified of the incarceration; and
 - (b) The department, the payee under the order, or the person entitled to receive support is not required to refund any support collections or payments that were received by the department prior to the date on which the department is notified of the incarceration.
 - (6) Abatement of a child support obligation based on incarceration of the person required to pay support does not constitute modification or adjustment of the order.
 - (7) Abatement of a child support obligation may not be allowed if it will reduce the child support payments received by the custodial parent. Abatement is limited to only those instances where a court or administrative forum finds:
- 19 (a) The incarcerated person is indigent as defined in RCW 20 10.101.010;
- 21 (b) The incarcerated person lacks assets to cover the child 22 support obligation; and
- 23 (c) The custodial parent is receiving public assistance and an 24 abatement will not result in a reduction of child support payments 25 received by the custodial parent.
- NEW SECTION. Sec. 5. A new section is added to chapter 26.09 RCW to read as follows:

Either the department, the person required to pay support, the payee under the order, or the person entitled to receive support may make a request for abatement of child support to ten dollars per month under an order for child support when the person required to pay support is currently confined in a jail, prison, or correctional facility for at least six months, or is serving a sentence greater than six months in a jail, prison, or correctional facility.

(1) A request for the abatement of child support owed under one child support order does not automatically qualify as a request for abatement of support owed under every order that may exist requiring that person to pay support. However, the request applies to any

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- support order which is being enforced by the department at the time of the request.
 - (2) If there are multiple orders requiring the incarcerated person to pay child support, the issue of whether abatement of support due to incarceration is appropriate must be considered for each order.
 - (a) The payee or person entitled to receive support under each support order is entitled to notice and an opportunity to be heard regarding the potential abatement of support under that order.
 - (b) If the child or children covered by a support order are not residing with the payee under the order, any other person entitled to receive support for the child or children must be provided notice and an opportunity to be heard regarding the potential abatement of support under that order.
- NEW SECTION. Sec. 6. A new section is added to chapter 26.09
 RCW to read as follows:
 - (1) When a child support order contains language regarding abatement to ten dollars per month per order based on incarceration of the person required to pay support, and that person is currently confined in a jail, prison, or correctional facility for at least six months, or is serving a sentence greater than six months in a jail, prison, or correctional facility, the department must:
 - (a) Review the support order for abatement once the department receives notice from the person required to pay support or someone acting on his or her behalf that the person may qualify for abatement of support;
 - (b) Review its records and other available information to determine if the person required to pay support has possession of, or access to, income or assets available to provide support while incarcerated; and
- 31 (c) Decide whether abatement of the person's support obligation 32 is appropriate.
- 33 (2) If the department decides that abatement of the person's 34 support obligation is appropriate, the department must notify the 35 person required to pay support, and the payee under the order or the 36 person entitled to receive support, that the incarcerated person's 37 support obligation has been abated and that the abatement will 38 continue until the first day of the fourth month after the person is

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- 1 released from confinement. The notification must include the 2 following information:
 - (a) The payee under the order or the person entitled to receive support may object to the abatement of support due to incarceration;
 - (i) An objection must be received within twenty days of the notification of abatement;
 - (ii) Any objection will be forwarded to the office of administrative hearings for an adjudicative proceeding under chapter 34.05 RCW;
 - (iii) The department, the person required to pay support, and the payee under the order or the person entitled to receive support, all have the right to participate in the administrative hearing as parties; and
 - (iv) The burden of proof is on the party objecting to the abatement of support to show that the person required to pay support has possession of, or access to, income or assets available to provide support while incarcerated;
 - (b) The effective date of the abatement of support;
 - (c) The estimated date of release;
 - (d) The estimated date that the abatement will end;
 - (e) That the person required to pay support, the payee under the order, the person entitled to receive support, or the department may file an action to modify the underlying support order once the person required to pay support is released from incarceration, as provided under section 4(3)(d) of this act; and
 - (f) That, if the abated obligation was established by a court order, the department will file a copy of the notification in the court file.
 - (3) If the department decides that abatement of the incarcerated person's support obligation is not appropriate, the department must notify the person required to pay support and the payee under the order or the person entitled to receive support, that the department does not believe that abatement of the support obligation should occur. The notification must include the following information:
 - (a) The reasons why the department decided that abatement of the support obligation is not appropriate;
- 37 (b) The person required to pay support and the payee under the 38 order or the person entitled to receive support may object to the 39 department's decision not to abate the support obligation;

1 (i) An objection must be received within twenty days of the 2 notification of abatement;

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- (ii) Any objection will be forwarded to the office of administrative hearings for an adjudicative proceeding under chapter 34.05 RCW; and
- (iii) The department, the incarcerated person, and the payee under the order or the person entitled to receive support all have the right to participate in the administrative hearing as parties;
- 9 (c) That, if the administrative law judge enters an order 10 providing that abatement is appropriate, the department will take 11 appropriate steps to document the abatement and will provide 12 notification to the parties as required in subsection (2) of this 13 section.
- NEW SECTION. Sec. 7. A new section is added to chapter 26.09
 RCW to read as follows:
 - (1) When a court or administrative order does not contain language regarding abatement based on incarceration of the person required to pay support and the department receives notice that the person is currently confined in a jail, prison, or correctional facility for at least six months or is serving a sentence greater than six months in a jail, prison, or correctional facility, the department must refer the case to the appropriate forum for a determination of whether the order should be modified to:
 - (a) Contain abatement language as provided in section 4 of this act; and
- 26 (b) Abate the person's child support obligation due to current incarceration.
 - (2) In a proceeding brought under this section, there is a rebuttable presumption that an incarcerated person is unable to pay the child support obligation. The department, the payee under the order, or the person entitled to receive support may rebut the presumption by demonstrating that the incarcerated person has possession of, or access to, income or assets available to provide support while incarcerated.
- 35 (3) Unless the presumption is rebutted, the court or administrative forum must enter an order providing that the child support obligation under the order is abated to ten dollars per month, without regard to the number of children covered by the order, if the person required to pay support is confined in a jail, prison, Code Rev/JO:jlb 12 S-6970.4/20 4th draft

- or correctional facility for at least six months, or is serving a sentence greater than six months in a jail, prison, or correctional facility.
 - (4) The order must:

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- 5 (a) Include the appropriate language required by section 4 of 6 this act in order to provide for a rebuttable presumption of 7 abatement to ten dollars per month per order;
 - (b) Provide that the order must be reinstated at fifty percent of the previously ordered support amount but not less than the presumptive minimum obligation of fifty dollars per month per child, effective on the first day of the fourth month after the person's release from confinement, and also provide that the order must be automatically reinstated at one hundred percent of the previously ordered support amount effective one year after release from custody, and also provide that the order must be automatically reinstated at one hundred percent of the previously ordered support amount effective one year after release from custody; and
- 18 (c) Include language regarding an action to modify or adjust the 19 underlying order as provided under section 4(3) of this act.
- NEW SECTION. Sec. 8. A new section is added to chapter 26.09
 RCW to read as follows:
 - (1) At any time during the period of incarceration, the department, the payee under the order, or the person entitled to receive support may file a request to reverse or terminate the abatement of support by demonstrating that the incarcerated person has possession of, or access to, income or assets available to provide support while incarcerated.
- 28 (a) A request for reversal or termination of the abatement may be 29 filed with the department or with the office of administrative 30 hearings.
- 31 (b) The request must include documents or other evidence showing 32 that the incarcerated person has possession of, or access to, income 33 or assets available to provide support while incarcerated.
- 34 (c) If the request for a hearing does not include documents or 35 evidence showing that the incarcerated person has possession of, or 36 access to, income or assets, the department may file a motion asking 37 that the request for a hearing be dismissed before a hearing is 38 scheduled or held.

- 1 (d) The party seeking to reverse or terminate the abatement may 2 seek to vacate the dismissal order by filing a motion which includes 3 the required proof.
 - (e) Depending on the type of evidence provided at the hearing, the administrative law judge may order that the abatement of the support obligation be:
 - (i) Reversed, meaning that the determination that support should be abated is vacated and all amounts owed under the support order are reinstated; or
- 10 (ii) Terminated, meaning that the abatement of support ends as of 11 the date specified in the order.
- 12 (2) At any time during the period of incarceration, the person 13 required to pay support may file a request to reverse or terminate 14 the abatement of support.
- 15 (a) The request for reversal or termination of the abatement may 16 be filed with the department or with the office of administrative 17 hearings.
- 18 (b) The person required to pay support is not required to provide 19 any documents or other evidence to support the request.
- 20 (3) Abatement of a support obligation does not constitute 21 modification or adjustment of the order.
- 22 **Sec. 9.** RCW 26.23.050 and 2019 c 46 s 5026 are each amended to 23 read as follows:
 - (1) If the division of child support is providing support enforcement services under RCW 26.23.045, or if a party is applying for support enforcement services by signing the application form on the bottom of the support order, the superior court shall include in all court orders that establish or modify a support obligation:
- 29 (a) A provision that orders and directs the ((responsible 30 parent)) person required to pay support to make all support payments 31 to the Washington state support registry;
- 32 (b) A statement that withholding action may be taken against wages, earnings, assets, or benefits, and liens enforced against real and personal property under the child support statutes of this or any other state, without further notice to the ((responsible parent)) person required to pay support at any time after entry of the court order, unless:

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(i) One of the parties demonstrates, and the court finds, that there is good cause not to require immediate income withholding and that withholding should be delayed until a payment is past due; or

- (ii) The parties reach a written agreement that is approved by the court that provides for an alternate arrangement;
- (c) A statement that the ((receiving parent)) payee under the order or the person entitled to receive support might be required to submit an accounting of how the support, including any cash medical support, is being spent to benefit the child;
- (d) A statement that ((any parent)) a party to the support order who is required to provide health care coverage for the child or children covered by the order must notify the division of child support and the other ((parent)) party to the support order when the coverage terminates; ((and))
- (e) A statement that ((the responsible parent's privileges)) any privilege of the person required to pay support to obtain and maintain a license, as defined in RCW 74.20A.320, may not be renewed, or may be suspended if the ((parent)) person is not in compliance with a support order as provided in RCW 74.20A.320; and
- (f) A statement that the support obligation under the order may be abated as provided in section 4 of this act if the person required to pay support is confined in a jail, prison, or correctional facility for at least six months, or is serving a sentence greater than six months in a jail, prison, or correctional facility.

As used in this subsection and subsection (3) of this section, "good cause not to require immediate income withholding" means a written determination of why implementing immediate wage withholding would not be in the child's best interests and, in modification cases, proof of timely payment of previously ordered support.

- (2) In all other cases not under subsection (1) of this section, the court may order the ((responsible parent)) person required to pay support to make payments directly to the person entitled to receive the payments, to the Washington state support registry, or may order that payments be made in accordance with an alternate arrangement agreed upon by the parties.
- (a) The superior court shall include in all orders under this subsection that establish or modify a support obligation:
- (i) A statement that withholding action may be taken against wages, earnings, assets, or benefits, and liens enforced against real and personal property under the child support statutes of this or any Code Rev/JO:jlb 15 S-6970.4/20 4th draft

other state, without further notice to the ((responsible parent)) 1 person required to pay support at any time after entry of the court 2 3 order, unless:

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- (A) One of the parties demonstrates, and the court finds, that there is good cause not to require immediate income withholding and that withholding should be delayed until a payment is past due; or
- (B) The parties reach a written agreement that is approved by the court that provides for an alternate arrangement;
- (ii) A statement that the ((receiving parent)) payee under the order or the person entitled to receive support may be required to submit an accounting of how the support is being spent to benefit the child;
- (iii) A statement that any ((parent)) party to the order required to provide health care coverage for the child or children covered by the order must notify the division of child support and the other ((parent)) party to the order when the coverage terminates; and
- (iv) A statement that a ((parent)) party to the order seeking to enforce the other party's obligation to provide health care coverage may:
 - (A) File a motion in the underlying superior court action; or
- 21 (B) If there is not already an underlying superior court action, 22 initiate an action in the superior court.

As used in this subsection, "good cause not to require immediate income withholding" is any reason that the court finds appropriate.

- (b) The superior court may order immediate or delayed income withholding as follows:
- Immediate income withholding may be ordered if ((responsible parent)) person required to pay support has earnings. If immediate income withholding is ordered under this subsection, all support payments shall be paid to the Washington state support registry. The superior court shall issue a mandatory wage assignment order as set forth in chapter 26.18 RCW when the support order is signed by the court. The ((parent)) payee under the order or the person entitled to receive the transfer payment is responsible for serving the employer with the order and for its enforcement as set forth in chapter 26.18 RCW.
- (ii) If immediate income withholding is not ordered, the court 37 shall require that income withholding be delayed until a payment is 38 39 past due. The support order shall contain a statement that withholding action may be taken against wages, earnings, assets, or Code Rev/JO:jlb 16 S-6970.4/20 4th draft

- benefits, and liens enforced against real and personal property under the child support statutes of this or any other state, without further notice to the ((responsible parent)) person required to pay support, after a payment is past due.
 - (c) If a mandatory wage withholding order under chapter 26.18 RCW is issued under this subsection and the division of child support provides support enforcement services under RCW 26.23.045, the existing wage withholding assignment is prospectively superseded upon the division of child support's subsequent service of an income withholding notice.
 - (3) The office of administrative hearings and the department of social and health services shall require that all support obligations established as administrative orders include a provision which orders and directs that the ((responsible parent)) person required to pay support shall make all support payments to the Washington state support registry. All administrative orders shall also state that ((the responsible parent's privileges)) any privilege of the person required to pay support to obtain and maintain a license, as defined in RCW 74.20A.320, may not be renewed, or may be suspended if the ((parent)) person is not in compliance with a support order as provided in RCW 74.20A.320. All administrative orders shall also state that withholding action may be taken against wages, earnings, assets, or benefits, and liens enforced against real and personal property under the child support statutes of this or any other state without further notice to the ((responsible parent)) person required to pay support at any time after entry of the order, unless:
 - (a) One of the parties demonstrates, and the presiding officer finds, that there is good cause not to require immediate income withholding; or
 - (b) The parties reach a written agreement that is approved by the presiding officer that provides for an alternate agreement.
 - (4) If the support order does not include the provision ordering and directing that all payments be made to the Washington state support registry and a statement that withholding action may be taken against wages, earnings, assets, or benefits if a support payment is past due or at any time after the entry of the order, or that ((a parent's)) licensing privileges of the person required to pay support may not be renewed, or may be suspended, the division of child support may serve a notice on the ((responsible parent)) person

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stating such requirements and authorizations. Service may be by personal service or any form of mail requiring a return receipt.

(5) Every support order shall state:

- (a) The address where the support payment is to be sent;
- (b) That withholding action may be taken against wages, earnings, assets, or benefits, and liens enforced against real and personal property under the child support statutes of this or any other state, without further notice to the ((responsible parent)) person required to pay support at any time after entry of a support order, unless:
- (i) One of the parties demonstrates, and the court finds, that there is good cause not to require immediate income withholding; or
- (ii) The parties reach a written agreement that is approved by the court that provides for an alternate arrangement;
- (c) The income of the parties, if known, or that their income is unknown and the income upon which the support award is based;
 - (d) The support award as a sum certain amount;
 - (e) The specific day or date on which the support payment is due;
 - (f) The names and ages of the dependent children;
- (g) A provision requiring both the ((responsible parent)) person required to pay support, and the ((custodial parent)) payee under the order or the person entitled to receive support who is a parent of the child or children covered by the order, to keep the Washington state support registry informed of whether he or she has access to health care coverage at reasonable cost and, if so, the health care coverage information;
- (h) That either or both the ((responsible parent)) person required to pay support, and the ((custodial parent)) payee under the order or the person entitled to receive support who is a parent of the child or children covered by the order, shall be obligated to provide medical support for ((his or her)) a child or children covered by the order through health care coverage if:
- (i) The ((obligated parent)) <u>person obligated to provide medical support</u> provides accessible coverage for the child <u>or children</u> through private or public health care coverage; or
- (ii) Coverage that can be extended to cover the child <u>or children</u> is or becomes available to the ((parent)) <u>person obligated to provide</u> <u>medical support</u> through employment or is union-related; or
- (iii) In the absence of such coverage, through an additional sum certain amount, as that ((parent's)) obligated person's monthly payment toward the premium as provided under RCW 26.09.105;

- (i) That a ((parent)) person obligated to provide medical support who is providing health care coverage must notify both the division of child support and the other ((parent)) party to the order when coverage terminates;
- (j) That if proof of health care coverage or proof that the coverage is unavailable is not provided within twenty days, the ((parent)) person seeking enforcement or the department may seek direct enforcement of the coverage through the employer or union of the ((parent)) person required to provide medical support without further notice to the ((parent)) person as provided under chapter 26.18 RCW;
- (k) The reasons for not ordering health care coverage if the order fails to require such coverage;
- (1) That ((the responsible parent's privileges)) any privilege of the person required to pay support to obtain and maintain a license, as defined in RCW 74.20A.320, may not be renewed, or may be suspended if the ((parent)) person is not in compliance with a support order as provided in RCW 74.20A.320;
 - (m) That each ((parent)) party to the support order must:
- (i) Promptly file with the court and update as necessary the confidential information form required by subsection (7) of this section; and
- (ii) Provide the state case registry and update as necessary the information required by subsection (7) of this section; and
- (n) That parties to administrative support orders shall provide to the state case registry and update as necessary their residential addresses and the address of the ((responsible parent's)) employer of the person required to pay support. The division of child support may adopt rules that govern the collection of parties' current residence and mailing addresses, telephone numbers, dates of birth, social security numbers, the names of the children, social security numbers of the children, dates of birth of the children, driver's license numbers, and the names, addresses, and telephone numbers of the parties' employers to enforce an administrative support order. The division of child support shall not release this information if the division of child support determines that there is reason to believe that release of the information may result in physical or emotional harm to the party or to the child, or a restraining order or protective order is in effect to protect one party from the other party.

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- support has been ordered or notified to make payments to the Washington state support registry under this section, ((the responsible parent)) that person shall be fully responsible for making all payments to the Washington state support registry and shall be subject to payroll deduction or other income-withholding action. The ((responsible parent)) person required to pay support shall not be entitled to credit against a support obligation for any payments made to a person or agency other than to the Washington state support registry except as provided under RCW 74.20.101. A civil action may be brought by the ((payor)) person required to pay support to recover payments made to persons or agencies who have received and retained support moneys paid contrary to the provisions of this section.
- (7) All petitioners and parties to all court actions under chapters 26.09, 26.10, 26.12, 26.18, 26.21A, 26.23, 26.26A, 26.26B, and 26.27 RCW shall complete to the best of their knowledge a verified and signed confidential information form or equivalent that provides the parties' current residence and mailing addresses, telephone numbers, dates of birth, social security numbers, driver's license numbers, and the names, addresses, and telephone numbers of the parties' employers. The clerk of the court shall not accept petitions, except in parentage actions initiated by the state, orders of child support, decrees of dissolution, or parentage orders for filing in such actions unless accompanied by the confidential information form or equivalent, or unless the confidential information form or equivalent is already on file with the court clerk. In lieu of or in addition to requiring the parties to complete a separate confidential information form, the clerk may collect the information in electronic form. The clerk of the court shall transmit the confidential information form or its data to the division of child support with a copy of the order of child support or parentage order, and may provide copies of the confidential information form or its data and any related findings, decrees, parenting plans, orders, or other documents to the state administrative agency that administers Title IV-A, IV-D, IV-E, or XIX of the federal social security act. In state initiated parentage actions, the parties adjudicated the parents of the child or children shall complete the confidential information form or equivalent or the state's attorney

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- 1 of record may complete that form to the best of the attorney's 2 knowledge.
 - (8) The department has rule-making authority to enact rules consistent with 42 U.S.C. Sec. 652(f) and 42 U.S.C. Sec. 666(a)(19)
- as amended by section 7307 of the deficit reduction act of 2005. 5
- 6 Additionally, the department has rule-making authority to implement
- regulations required under 45 C.F.R. Parts 302, 303, 304, 305, and 7
- 8 308.

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- 9 Sec. 10. RCW 74.20A.055 and 2019 c 46 s 5052 are each amended to read as follows: 10
- 11 (1) The secretary may, if there is no order that establishes ((the responsible parent's)) a person's support obligation or 12 specifically relieves the ((responsible parent)) person required to 13 pay support of a support obligation or pursuant to an establishment 14 15 of parentage under chapter 26.26A or 26.26B RCW, serve on the ((responsible parent or parents)) person or persons required to pay 16 support and ((custodial parent)) the person entitled to receive 17 support a notice and finding of financial responsibility requiring 18 ((the parents)) those persons to appear and show cause in an 19 20 adjudicative proceeding why the finding of responsibility and/or the amount thereof is incorrect, should not be finally ordered, but 21 22 should be rescinded or modified. This notice and finding shall relate to the support debt accrued and/or accruing under this chapter and/or 23 24 RCW 26.16.205, including periodic payments to be made in the future. 25 The hearing shall be held pursuant to this section, chapter 34.05 RCW, the Administrative Procedure Act, and the rules of the 26 27 department. A ((custodian)) person who has physical custody of a child has the same rights ((that a custodial parent has)) under this 28 section as a parent with whom the child resides. 29
 - (2) The notice and finding of financial responsibility shall be served in the same manner prescribed for the service of a summons in a civil action or may be served on the ((responsible parent)) person required to pay support by certified mail, return receipt requested. The receipt shall be prima facie evidence of service. The notice shall be served upon the ((debtor)) person required to pay support within sixty days from the date the state assumes responsibility for the support of the dependent child or children on whose behalf support is sought. If the notice is not served within sixty days from such date, the department shall lose the right to reimbursement of Code Rev/JO:jlb 21

- payments made after the sixty-day period and before the date of notification: PROVIDED, That if the department exercises reasonable efforts to locate the ((debtor)) person required to pay support and is unable to do so the entire sixty-day period is tolled until such time as the ((debtor)) person can be located. The notice may be served upon the ((custodial parent)) person entitled to receive support who is the nonassistance applicant or public assistance recipient by first-class mail to the last known address. If the ((custodial parent)) person entitled to receive support is not the nonassistance applicant or public assistance recipient, service shall be in the same manner as for the ((responsible parent)) person required to pay support.
 - (3) The notice and finding of financial responsibility shall set forth the amount the department has determined the ((responsible parent)) person required to pay support owes, the support debt accrued and/or accruing, and periodic payments to be made in the future. The notice and finding shall also include:
 - (a) A statement of the name of the ((custodial parent)) person entitled to receive support and the name of the child or children for whom support is sought;
 - (b) A statement of the amount of periodic future support payments as to which financial responsibility is alleged;
 - (c) A statement that the ((responsible parent)) person required to pay support or ((custodial parent)) the person entitled to receive support may object to all or any part of the notice and finding, and file an application for an adjudicative proceeding to show cause why the terms set forth in the notice should not be ordered;
 - (d) A statement that, if neither the ((responsible parent)) person required to pay support nor the ((custodial parent)) person entitled to receive support files in a timely fashion an application for an adjudicative proceeding, the support debt and payments stated in the notice and finding, including periodic support payments in the future, shall be assessed and determined and ordered by the department and that this debt and amounts due under the notice shall be subject to collection action;
- (e) A statement that the property of the ((debtor)) person required to pay support, without further advance notice or hearing, will be subject to lien and foreclosure, distraint, seizure and sale, order to withhold and deliver, notice of payroll deduction or other

1 collection action to satisfy the debt and enforce the support 2 obligation established under the notice;

- (f) A statement that ((one or both parents)) the person required to pay support, and the payee under the order or the person entitled to receive support who is a parent of the child or children covered by the order, are responsible for either:
- (i) Providing health care coverage for the child if accessible coverage that can cover the child:
- (A) Is available through health insurance or public health care coverage; or
 - (B) Is or becomes available to the ((parent)) obligated person through that ((parent's)) person's employment or union; or
 - (ii) Paying a monthly payment toward the premium if no such coverage is available, as provided under RCW 26.09.105; and
 - (g) A statement that the support obligation under the order may be abated to ten dollars per month per order as provided in section 4 of this act if the person required to pay support is confined in a jail, prison, or correctional facility for at least six months, or is serving a sentence greater than six months in a jail, prison, or correctional facility.
 - (4) A ((responsible parent)) person required to pay support or ((custodial parent)) a person entitled to receive support who objects to the notice and finding of financial responsibility may file an application for an adjudicative proceeding within twenty days of the date of service of the notice or thereafter as provided under this subsection.
 - (a) If the ((responsible parent)) person required to pay support or ((custodial parent)) the person entitled to receive support files the application within twenty days, the office of administrative hearings shall schedule an adjudicative proceeding to hear the ((parent's)) party's or ((parents')) parties' objection and determine the support obligation for the entire period covered by the notice and finding of financial responsibility. The filing of the application stays collection action pending the entry of a final administrative order;
- 36 (b) If both the ((responsible parent)) person required to pay
 37 support and the ((custodial parent)) person entitled to receive
 38 support fail to file an application within twenty days, the notice
 39 and finding shall become a final administrative order. The amounts
 40 for current and future support and the support debt stated in the

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- notice are final and subject to collection, except as provided under (c) and (d) of this subsection;
 - (c) If the ((responsible parent)) person required to pay support or ((custodial parent)) the person entitled to receive support files the application more than twenty days after, but within one year of the date of service, the office of administrative hearings shall schedule an adjudicative proceeding to hear the ((parent's)) party's or ((parents')) parties' objection and determine the support obligation for the entire period covered by the notice and finding of financial responsibility. The filing of the application does not stay further collection action, pending the entry of a final administrative order, and does not affect any prior collection action;
 - (d) If the ((responsible parent)) person required to pay support or ((custodial parent)) the person entitled to receive support files the application more than one year after the date of service, the office of administrative hearings shall schedule an adjudicative proceeding at which the ((parent)) party who requested the late hearing must show good cause for failure to file a timely application. The filing of the application does not stay future collection action and does not affect prior collection action:
 - (i) If the presiding officer finds that good cause exists, the presiding officer shall proceed to hear the ((parent's)) party's objection to the notice and determine the support obligation;
 - (ii) If the presiding officer finds that good cause does not exist, the presiding officer shall treat the application as a petition for prospective modification of the amount for current and future support established under the notice and finding. In the modification proceeding, the presiding officer shall set current and future support under chapter 26.19 RCW. The petitioning ((parent)) party need show neither good cause nor a substantial change of circumstances to justify modification of current and future support;
 - (e) If the ((responsible parent's)) support obligation was based upon imputed median net income, the grant standard, or the family need standard, the division of child support may file an application for adjudicative proceeding more than twenty days after the date of service of the notice. The office of administrative hearings shall schedule an adjudicative proceeding and provide notice of the hearing to the ((responsible parent)) person required to pay support and the ((custodial parent)) person entitled to receive support. The

- presiding officer shall determine the support obligation for the entire period covered by the notice, based upon credible evidence presented by the division of child support, the ((responsible parent)) person required to pay support, or the ((custodial parent)) person entitled to receive support, or may determine that the support obligation set forth in the notice is correct. The division of child support demonstrates good cause by showing that the ((responsible parent's)) support obligation was based upon imputed median net income, the grant standard, or the family need standard. The filing of the application by the division of child support does not stay further collection action, pending the entry of administrative order, and does not affect any prior collection action.
 - (f) The department shall retain and/or shall not refund support money collected more than twenty days after the date of service of the notice. Money withheld as the result of collection action shall be delivered to the department. The department shall distribute such money, as provided in published rules.

- (5) If an application for an adjudicative proceeding is filed, the presiding or reviewing officer shall determine the past liability and responsibility, if any, of the ((alleged responsible parent)) person required to pay support and shall also determine the amount of periodic payments to be made in the future, which amount is not limited by the amount of any public assistance payment made to or for the benefit of the child. If deviating from the child support schedule in making these determinations, the presiding or reviewing officer shall apply the standards contained in the child support schedule and enter written findings of fact supporting the deviation.
- support or the ((responsible parent)) person required to pay support or the ((restodial parent)) person entitled to receive support fails to attend or participate in the hearing or other stage of an adjudicative proceeding, upon a showing of valid service, the presiding officer shall enter an order of default against each party who did not appear and may enter an administrative order declaring the support debt and payment provisions stated in the notice and finding of financial responsibility to be assessed and determined and subject to collection action. The parties who appear may enter an agreed settlement or consent order, which may be different than the terms of the department's notice. Any party who appears may choose to proceed to the hearing, after the conclusion of which the presiding Code Rev/JO:jlb 25 S-6970.4/20 4th draft

- officer or reviewing officer may enter an order that is different than the terms stated in the notice, if the obligation is supported by credible evidence presented by any party at the hearing.
 - (7) The final administrative order establishing liability and/or future periodic support payments shall be superseded upon entry of a superior court order for support to the extent the superior court order is inconsistent with the administrative order.
 - (8) Debts determined pursuant to this section, accrued and not paid, are subject to collection action under this chapter without further necessity of action by a presiding or reviewing officer.
- 11 (9) The department has rule-making authority to enact rules consistent with 42 U.S.C. Sec. 652(f) and 42 U.S.C. Sec. 666(a)(19) as amended by section 7307 of the deficit reduction act of 2005. Additionally, the department has rule-making authority to implement regulations required under 45 C.F.R. Parts 302, 303, 304, 305, and 308.
- **Sec. 11.** RCW 74.20A.056 and 2019 c 148 s 38 and 2019 c 46 s 5053 are each reenacted and amended to read as follows:
 - (1) (a) If an acknowledged parent has signed an acknowledgment of parentage that has been filed with the state registrar of vital statistics:
 - (i) The division of child support may serve a notice and finding of financial responsibility under RCW 74.20A.055 based on the acknowledgment. The division of child support shall attach a copy of the acknowledgment or certification of the birth record information advising of the existence of a filed acknowledgment of parentage to the notice;
 - (ii) The notice shall include a statement that the acknowledged parent or any other signatory may commence a proceeding in court to rescind or challenge the acknowledgment or denial of parentage under RCW 26.26A.235 and 26.26A.240;
 - (iii) A statement that ((either or both parents)) the person required to pay support, and the payee under the order or the person entitled to receive support who is a parent of the child or children covered by the order, are responsible for providing health care coverage for the child if accessible coverage that can be extended to cover the child is or becomes available to the ((parent)) obligated person through employment or is union-related as provided under RCW

(iv) The party commencing the action to rescind or challenge the acknowledgment or denial must serve notice on the division of child support and the office of the prosecuting attorney in the county in which the proceeding is commenced. Commencement of a proceeding to rescind or challenge the acknowledgment or denial stays the establishment of the notice and finding of financial responsibility, if the notice has not yet become a final order; and

- (v) A statement that the support obligation under the order may be abated to ten dollars per month per order as provided in section 4 of this act if the person required to pay support is confined in a jail, prison, or correctional facility for at least six months, or is serving a sentence greater than six months in a jail, prison, or correctional facility.
- (b) If neither ((the acknowledged parent nor the other)) party to the notice files an application for an adjudicative proceeding or the signatories to the acknowledgment or denial do not commence a proceeding to rescind or challenge the acknowledgment of parentage, the amount of support stated in the notice and finding of financial responsibility becomes final, subject only to a subsequent determination under RCW 26.26A.400 through 26.26A.515 that the parent-child relationship does not exist. The division of child support does not refund nor return any amounts collected under a notice that becomes final under this section or RCW 74.20A.055, even if a court later determines that the acknowledgment is void.
- (c) An acknowledged parent or other party to the notice who objects to the amount of support requested in the notice may file an application for an adjudicative proceeding up to twenty days after the date the notice was served. An application for an adjudicative proceeding may be filed within one year of service of the notice and finding of parental responsibility without the necessity for a showing of good cause or upon a showing of good cause thereafter. An adjudicative proceeding under this section shall be pursuant to RCW 74.20A.055. The only issues shall be the amount of the accrued debt and the amount of the current and future support obligation.
- (i) If the application for an adjudicative proceeding is filed within twenty days of service of the notice, collection action shall be stayed pending a final decision by the department.
- (ii) If the application for an adjudicative proceeding is not filed within twenty days of the service of the notice, any amounts collected under the notice shall be neither refunded nor returned if Code Rev/JO:jlb 27 S-6970.4/20 4th draft

- the ((alleged genetic parent)) person required to pay support under the notice is later found not to be ((a responsible parent)) required to pay support.
 - (d) If neither the acknowledged parent nor the ((custodial parent)) person entitled to receive support requests an adjudicative proceeding, or if no timely action is brought to rescind or challenge the acknowledgment or denial after service of the notice, the notice of financial responsibility becomes final for all intents and purposes and may be overturned only by a subsequent superior court order entered under RCW 26.26A.400 through 26.26A.515.
- 11 (2) Acknowledgments of parentage are subject to requirements of chapters 26.26A, 26.26B, and 70.58A RCW.
- 13 (3) The department and the department of health may adopt rules 14 to implement the requirements under this section.
- 15 (4) The department has rule-making authority to enact rules consistent with 42 U.S.C. Sec. 652(f) and 42 U.S.C. Sec. 666(a)(19) as amended by section 7307 of the deficit reduction act of 2005. Additionally, the department has rule-making authority to implement regulations required under 45 C.F.R. Parts 302, 303, 304, 305, and 308.
- 21 **Sec. 12.** RCW 74.20A.059 and 2019 c 275 s 3 are each amended to 22 read as follows:
 - (1) The department, the ((physical custodian)) payee under the order or the person entitled to receive support, or the ((responsible parent)) person required to pay support may petition for a prospective modification of a final administrative order if:
 - (a) The administrative order has not been superseded by a superior court order; and
- 29 (b) There has been a substantial change of circumstances, except 30 as provided under RCW 74.20A.055(4)(d) or subsection (2) of this 31 section.
- 32 (2) The department, the person entitled to receive support, the payee under the order, or the person required to pay support may 33 petition for a prospective modification of a final administrative 34 35 order if the person required to pay support is currently confined in a jail, prison, or correctional facility for at least six months or 36 is serving a sentence greater than six months in a jail, prison, or 37 38 correctional facility, and the support order does not contain 39 language regarding abatement due to incarceration.

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1 <u>(a) The petition may be filed at any time after the</u>
2 <u>administrative support order became a final order, as long as the</u>
3 person required to pay support is currently incarcerated.

- (b) As part of the petition for modification, the petitioner may also request that the support obligation be abated to ten dollars per month per order due to incarceration, as provided in section 4 of this act.
- (3) An order of child support may be modified at any time without a showing of substantially changed circumstances if incarceration of the ((parent who is obligated)) person required to pay support is the basis for the inconsistency between the existing child support order amount and the amount of support determined as a result of a review.
- $((\frac{3}{3}))$ An order of child support may be modified one year or more after it has been entered without showing a substantial change of circumstances:
 - (a) If the order in practice works a severe economic hardship on either party or the child; or
 - (b) If a child is a full-time student and reasonably expected to complete secondary school or the equivalent level of vocational or technical training before the child becomes nineteen years of age upon a finding that there is a need to extend support beyond the eighteenth birthday.
- $((\frac{4}{}))$ <u>(5)</u> An order may be modified without showing a substantial change of circumstances if the requested modification is to:
 - (a) Require medical support under RCW 26.09.105 for a child covered by the order; $((\Theta r))$
 - (b) Modify an existing order for health care coverage; or
 - (c) Modify an existing order when the person required to pay support has been released from incarceration, as provided in section 4(3)(d) of this act.
 - (((5))) <u>(6)</u> Support orders may be adjusted once every twenty-four months based upon changes in the income of the ((parents)) <u>parties to the order</u> without a showing of substantially changed circumstances. This provision does not mean that the income of a person entitled to receive support who is not a parent of the child or children covered by the order must be disclosed or be included in the calculations under chapter 26.19 RCW when determining the support obligation.
 - $((\frac{(6)}{(6)}))$ $\underline{(7)}$ (a) All administrative orders entered on, before, or after September 1, 1991, may be modified based upon changes in the Code Rev/JO:jlb 29 S-6970.4/20 4th draft

- child support schedule established in chapter 26.19 RCW without a substantial change of circumstances. The petition may be filed based on changes in the child support schedule after twelve months has expired from the entry of the administrative order or the most recent modification order setting child support, whichever is later. However, if a party is granted relief under this provision, twentyfour months must pass before another petition for modification may be filed pursuant to subsection (((5))) of this section.
 - (b) If, pursuant to subsection (((5))) (6) of this section or (a) of this subsection, the order modifies a child support obligation by more than thirty percent and the change would cause significant hardship, the change may be implemented in two equal increments, one at the time of the entry of the order and the second six months from the entry of the order. Twenty-four months must pass following the second change before a petition for modification under subsection (((5))) (6) of this section may be filed.
 - (((7))) (8) An increase in the wage or salary of the ((parent or custodian who is receiving)) person entitled to receive the support transfer payments is not a substantial change in circumstances for purposes of modification under subsection (1)(b) of this section. ((An obligor's)) The voluntary unemployment or voluntary underemployment of the person required to pay support, by itself, is not a substantial change of circumstances. The income of the person entitled to receive support is only disclosed or considered if that person is a parent of the child or children covered by the order.
 - $((\frac{(8)}{(8)}))$ <u>(9)</u> The department shall file the petition and a supporting affidavit with the ((secretary or the secretary's designee)) office of administrative hearings when the department petitions for modification.
 - ((+9)) (10) The (+esponsible parent) person required to pay support or the (+esponsible parent) payee under the order or the person entitled to receive support shall follow the procedures in this chapter for filing an application for an adjudicative proceeding to petition for modification.
 - (((10))) <u>(11)</u> Upon the filing of a proper petition or application, the ((secretary or the secretary's designee)) office of administrative hearings shall issue an order directing each party to appear and show cause why the order should not be modified.

- 1 (((11))) <u>(12)</u> If the presiding or reviewing officer finds a 2 modification is appropriate, the officer shall modify the order and 3 set current and future support under chapter 26.19 RCW.
 - Sec. 13. RCW 26.09.170 and 2019 c 275 s 2 are each amended to read as follows:
 - (1) Except as otherwise provided in RCW 26.09.070(7), the provisions of any decree respecting maintenance or support may be modified: (a) Only as to installments accruing subsequent to the petition for modification or motion for adjustment except motions to compel court-ordered adjustments, which shall be effective as of the first date specified in the decree for implementing the adjustment; and, (b) except as otherwise provided in this section, only upon a showing of a substantial change of circumstances. The provisions as to property disposition may not be revoked or modified, unless the court finds the existence of conditions that justify the reopening of a judgment under the laws of this state.
 - (2) Unless otherwise agreed in writing or expressly provided in the decree the obligation to pay future maintenance is terminated upon the death of either party or the remarriage of the party receiving maintenance or registration of a new domestic partnership of the party receiving maintenance.
 - (3) Unless otherwise agreed in writing or expressly provided in the decree, provisions for the support of a child are terminated by emancipation of the child or by the death of the ((parent obligated to)) person required to pay support for the child.
 - (4) Unless expressly provided by an order of the superior court or a court of comparable jurisdiction, provisions for the support of a child are terminated upon the marriage or registration of a domestic partnership to each other of parties to a paternity or parentage order, or upon the remarriage or registration of a domestic partnership to each other of parties to a decree of dissolution. The remaining provisions of the order, including provisions establishing ((paternity)) parentage, remain in effect.
 - (5)(a) A party to an order of child support may petition for a modification based upon a showing of substantially changed circumstances at any time.
- 37 (b) ((An obligor's)) The voluntary unemployment or voluntary underemployment of the person required to pay support, by itself, is 39 not a substantial change of circumstances.

(6) An order of child support may be modified at any time to add language regarding abatement to ten dollars per month per order due to the incarceration of the person required to pay support, as provided in section 4 of this act.

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- (a) The department of social and health services, the person 5 6 entitled to receive support or the payee under the order, or the 7 person required to pay support may petition for a prospective modification of a child support order if the person required to pay 8 support is currently confined in a jail, prison, or correctional 9 facility for at least six months or is serving a sentence greater 10 than six months in a jail, prison, or correctional facility, and the 11 support order does not contain language regarding abatement due to 12 13 incarceration.
- 14 <u>(b) The petition may only be filed if the person required to pay</u>
 15 <u>support is currently incarcerated.</u>
 - (c) As part of the petition for modification, the petitioner may also request that the support obligation be abated to ten dollars per month per order due to incarceration, as provided in section 4 of this act.
 - (7) An order of child support may be modified without showing a substantial change of circumstances if the requested modification is to modify an existing order when the person required to pay support has been released from incarceration, as provided in section 4(3)(d) of this act.
- 25 <u>(8)</u> An order of child support may be modified one year or more 26 after it has been entered without a showing of substantially changed 27 circumstances:
 - (a) If the order in practice works a severe economic hardship on either party or the child;
- 30 (b) If a child is still in high school, upon a finding that there 31 is a need to extend support beyond the eighteenth birthday to 32 complete high school; or
- 33 (c) To add an automatic adjustment of support provision 34 consistent with RCW 26.09.100.
 - ((+7)) (9)(a) If twenty-four months have passed from the date of the entry of the order or the last adjustment or modification, whichever is later, the order may be adjusted without a showing of substantially changed circumstances based upon:
- (i) Changes in the income of the ((parents)) <u>person required to</u>

 pay support, or of the payee under the order or the person entitled

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- 1 to receive support who is a parent of the child or children covered
 2 by the order; or
- 3 (ii) Changes in the economic table or standards in chapter 26.19 4 RCW.
 - (b) Either party may initiate the adjustment by filing a motion and child support worksheets.
 - (c) If the court adjusts or modifies a child support obligation pursuant to this subsection by more than thirty percent and the change would cause significant hardship, the court may implement the change in two equal increments, one at the time of the entry of the order and the second six months from the entry of the order. Twenty-four months must pass following the second change before a motion for another adjustment under this subsection may be filed.
 - $((\frac{(8)}{(8)}))$ (10)(a) The department of social and health services may file an action to modify or adjust an order of child support if public assistance money is being paid to or for the benefit of the child and the department has determined that the child support order is at least fifteen percent above or below the appropriate child support amount set forth in the standard calculation as defined in RCW 26.19.011.
- 21 (b) The department of social and health services may file an 22 action to modify or adjust an order of child support in a 23 nonassistance case if:
- (i) The department has determined that the child support order is at least fifteen percent above or below the appropriate child support amount set forth in the standard calculation as defined in RCW 26.19.011;
 - (ii) The department has determined the case meets the department's review criteria; and
- 30 (iii) A party to the order or another state or jurisdiction has 31 requested a review.
 - (c) If incarceration of the ((parent who is obligated)) person required to pay support is the basis for the difference between the existing child support order amount and the proposed amount of support determined as a result of a review, the department may file an action to modify or adjust an order of child support even if:
 - (i) There is no other change of circumstances; and
- 38 (ii) The change in support does not meet the fifteen percent 39 threshold.

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1 (d) The determination of whether the child support order is at 2 least fifteen percent above or below the appropriate child support 3 amount must be based on the current income of the parties.

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- ((+9))) (11) The department of social and health services may file an action to modify or adjust an order of child support under subsections (5) through ((+7)) (9) of this section if:
- 7 (a) Public assistance money is being paid to or for the benefit 8 of the child;
- 9 (b) A party to the order in a nonassistance case has requested a 10 review; or
- 11 (c) Another state or jurisdiction has requested a modification of the order.
- ((\(\frac{(10)}{)}\)) (12) If testimony other than affidavit is required in any proceeding under this section, a court of this state shall permit a party or witness to be deposed or to testify under penalty of perjury by telephone, audiovisual means, or other electronic means, unless good cause is shown.
- NEW SECTION. Sec. 14. A new section is added to chapter 26.09
 RCW to read as follows:
- The department is granted rule-making authority to adopt rules necessary for the implementation of this act.
- 22 **Sec. 15.** RCW 26.23.110 and 2009 c 476 s 5 are each amended to 23 read as follows:
- 24 (1) The department may serve a notice of support owed (($\frac{\text{on a}}{\text{consible parent}}$)) when a $\frac{\text{child}}{\text{child}}$ support order:
- 26 (a) Does not state the current and future support obligation as a 27 fixed dollar amount;
 - (b) Contains an escalation clause or adjustment provision for which additional information not contained in the support order is needed to determine the fixed dollar amount of the support debt or the fixed dollar amount of the current and future support obligation, or both; $((\Theta r))$
- 33 (c) <u>Provides that the person required by the order to make the</u>
 34 <u>transfer payment must pay a portion of child care or day care</u>
 35 <u>expenses for a child or children covered by the order; or</u>
- (d) Provides that ((the responsible parent is responsible for paying)) either the person required to pay support or the person entitled to receive support, or both, are obligated to pay for a Code Rev/JO:jlb
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- portion of uninsured medical costs, copayments, and/or deductibles incurred on behalf of the child <u>or children covered by the order</u>, but does not reduce the costs to a fixed dollar amount.
 - (2) The department may serve a notice of support owed for day care or child care on the person required by the order to make the transfer payment when:
 - (a) The underlying support order requires that person to pay his or her proportionate share of day care or child care costs directly to the person entitled to receive support; or
 - (b) The person entitled to receive support is seeking reimbursement because he or she has paid the share of day care or child care costs owed by the person required by the order to make the transfer payment.
 - (3) The department may serve a notice of support owed <u>for medical support</u> on ((a parent who has been designated to pay per a)) any person obligated by a child support order to provide medical support <u>for the child or children covered by the order. There are two</u> different types of medical support obligations:
 - (a) Health care coverage: The department may serve a notice of support owed to determine an obligated person's monthly payment toward the premium as defined in RCW 26.09.105, if the support order does not set a fixed dollar amount for the monthly payment toward the premium.
 - (b) Uninsured medical expenses: The department may serve a notice of support owed on any person who is obligated to pay a portion of uninsured medical costs, copayments, or deductibles incurred on behalf of the child or children covered by the order, ((but only)) when the support order does not reduce the costs to a fixed dollar amount.
 - (((3) The department may serve a notice of support owed to determine a parent's monthly payment toward the premium as defined in RCW 26.09.105, if the support order does not set a fixed dollar amount for the monthly payment toward the premium.)) (i) The notice of support owed may be served for purposes of reimbursing a person who has paid the share of uninsured medical expenses owed by any person obligated to contribute to those costs;
- 37 <u>(ii) The notice of support owed may be served to establish a</u>
 38 <u>monthly amount to be paid by a person obligated to contribute to</u>
 39 <u>uninsured medical expenses when the underlying support order requires</u>

that person to pay his or her proportionate share of uninsured medical expenses directly to another party to the order; or

- (iii) The notice of support owed may be served for both purposes listed in this subsection.
- (4) The notice of support owed ((shall)) is intended to facilitate enforcement of the support order and implement and effectuate the terms of the support order, rather than modify those terms. When the ((office of support enforcement)) department issues a notice of support owed, the ((office shall)) department must inform the payee under the support order.
- (5) <u>Service of the notice of support owed ((shall)) must be as follows:</u>
 - (a) An initial notice of support owed must be served on ((a responsible parent)) the person required by the order to pay support or contribute to costs by personal service or any form of mailing requiring a return receipt. ((The notice shall be served on the applicant or recipient of services by first-class mail to the last known address.)) The initial notice may be served on the person who is entitled to receive the support covered by the notice, as well as the payee under the order if appropriate, by regular mail.
 - (b) A notice of support owed created for purposes of reviewing an ongoing support obligation established by a prior notice of support owed may be served on the person required by the order to pay support or contribute to costs by regular mail to that person's last known address.
 - (c) An initial notice of support owed, as well as any notice created for purposes of reviewing an ongoing support obligation established by a prior notice of support owed may be served on the person entitled to receive the support by regular mail to that person's last known address.
 - (6) The notice of support owed ((shall)) must contain:
 - (a) An initial finding of the fixed dollar amount of current and future support obligation that should be paid or the fixed dollar amount of the support debt owed under the support order, or both; and
 - (b) A statement that any subsequent notice of support owed created for purposes of reviewing the amounts established by the current notice may be served on any party to the order by regular mail to that person's last known address.
- ((+6+)) <u>(7)</u> A ((+6+)) <u>person</u> who objects to the fixed dollar amounts stated in the notice of support owed has twenty days from the Code Rev/JO:jlb 36 S-6970.4/20 4th draft

date of the service of the notice of support owed to file an application for an adjudicative proceeding or initiate an action in superior court.

- $((\frac{(7)}{)})$ <u>(8)</u> The notice of support owed $(\frac{(shall)}{)}$ <u>must</u> state that the $(\frac{(parent)}{)}$ <u>person</u> may:
- (a) File an application for an adjudicative proceeding governed by chapter 34.05 RCW, the administrative procedure act, in which the ((parent)) person will be required to appear and show cause why the fixed dollar amount of support debt or current and future support obligation, or both, stated in the notice of support owed is incorrect and should not be ordered; or
 - (b) Initiate an action in superior court.
- (((8))) <u>(9)</u> If ((either parent does not file)) no person included in the notice files an application for an adjudicative proceeding or ((initiate)) initiates an action in superior court, the fixed dollar amount of current and future support obligation or support debt, or both, stated in the notice of support owed ((shall become)) becomes final and subject to collection action.
- (((9))) <u>(10)</u> If an adjudicative proceeding is requested, the ((department shall mail a copy of the notice of adjudicative proceeding to the parties)) <u>office of administrative hearings must schedule a hearing. All persons included in the notice are entitled to participate in the hearing with full party rights.</u>
- ((\(\frac{(10)}{)}\)) (11) If ((\(\text{either parent does not initiate}\)) no person included in the notice initiates an action in superior court, and ((\(\text{serve}\))\)) serves notice of the action on the department and the other party to the support order within the twenty-day period, ((\(\text{the parent shall}\))) all persons included in the notice must be deemed to have made an election of remedies and ((\(\text{shall}\) be required to)) must exhaust administrative remedies under this chapter with judicial review available as provided for in RCW 34.05.510 through 34.05.598.
- $((\frac{11}{1}))$ <u>(12)</u> An $(\frac{adjudicative}{administrative})$ order entered in accordance with this section $(\frac{shall}{n})$ <u>must</u> state:
- (a) The basis, rationale, or formula upon which the fixed dollar amounts established in the ((adjudicative)) order were based $((\cdot))$;
- 36 <u>(b)</u> The fixed dollar amount of current and future support obligation or the amount of the support debt, or both, determined under this section ((shall be)) is subject to collection under this chapter and other applicable state statutes; and

(c) That any subsequent notice of support owed created for purposes of reviewing the amounts established by the current notice may be served on any party to the order by regular mail to that person's last known address.

 $((\frac{12}{12}))$ <u>(13)</u> The department $(\frac{13}{12})$ must also provide for:

- (a) An annual review of the support order if ((either)) the ((office of support enforcement)) department, the person required to pay support, the payee under the order, or the ((parent)) person entitled to receive support requests such a review; and
- (b) A late ((adjudicative proceeding)) hearing if ((the parent)) a person included in the notice fails to file an application for an adjudicative proceeding in a timely manner under this section.
- (((13))) (14) If an annual review ((or late adjudicative proceeding)) is requested under subsection (((12))) (13) of this section, the department ((shall mail)) may serve the notice of annual review of the administrative order based on the prior notice of support owed by mailing a copy of the notice ((of adjudicative proceeding)) by regular mail to the ((parties')) last known address of all parties to the order.
- (((14))) (15) If one of the parties requests a late hearing under subsection (13) of this section, the office of administrative hearings must schedule an adjudicative proceeding.
 - (16) An annual review under subsection (13) of this section is used to determine whether the expense remained the same, increased or decreased, and whether there is a discrepancy between the actual expense and the amount determined under the prior notice of support owed.
 - (a) If a change in the actual expense which was the basis for the most recent notice of support owed occurs before twelve months pass, any party to the order may request that the department accelerate the annual review described in subsection (13) of this section.
- 32 <u>(b) The department may review any evidence presented by the</u>
 33 <u>person claiming that the expense has occurred and determine whether</u>
 34 <u>the change is likely to create a significant overpayment or</u>
 35 <u>underpayment if the department does not serve a new notice of support</u>
 36 <u>owed.</u>
- 37 <u>(c) Under appropriate circumstances, the department may</u>
 38 <u>accelerate the time for the review and serve a notice of support owed</u>
 39 <u>even if twelve months have not passed.</u>
- $\underline{(17)}$ The department has rule-making authority to:

- 1 (a) Enact rules consistent with 42 U.S.C. Sec. 652(f) and 42 U.S.C. Sec. 666(a)(19) as amended by section 7307 of the deficit reduction act of 2005((. Additionally, the department has rule-making authority to));
- 5 (b) Implement regulations required under 45 C.F.R. Parts 302, 303, 304, 305, and 308; and
- 7 (c) Implement the provisions of this section.
- 8 <u>NEW SECTION.</u> **Sec. 16.** Sections 3 through 13 of this act take 9 effect February 1, 2021."

SHB 2302 - S COMM AMD By Committee on Law & Justice

OUT OF ORDER 03/06/2020

On page 1, line 4 of the title, after "owed;" strike the remainder of the title and insert "amending RCW 26.19.011, 26.19.071, 26.23.050, 74.20A.055, 74.20A.059, 26.09.170, and 26.23.110; reenacting and amending RCW 74.20A.056; adding new sections to chapter 26.09 RCW; creating a new section; and providing an effective date."

EFFECT: (1) Abatement is limited to only those instances where a
court or administrative forum finds:

- (a) The incarcerated person is indigent as defined in RCW 10.101.010;
- (b) The incarcerated person lacks assets to cover the child support obligation; and
- (c) The custodial parent is receiving public assistance and an abatement will not result in a reduction of child support payments received by the custodial parent.
- (2) Provides a goal of ensuring the obligor parent makes the largest child support monthly payment amount as possible to comply with an order for child support.
- (3) Automatically terminates the fifty percent abatement one year after release from confinement.

--- END ---