CS for SB 2166

**By** the Committee on Children, Families, and Elder Affairs; and Senator Hill

586-04466-09

20092166c1

1 A bill to be entitled 2 An act relating to spousal and child support; amending 3 s. 61.075, F.S.; requiring specified findings if a 4 deferred payment is ordered in an equitable 5 distribution; providing for application of specified 6 provisions; amending s. 61.14, F.S.; specifying how 7 payments on alimony or spousal support judgments shall 8 be applied; providing for enforcement of interest 9 payments on child support and alimony or spousal 10 support judgments; providing that interest not accrue 11 on postjudgment interest; amending s. 61.30, F.S.; 12 specifying a definition relating to payment of child 13 support varying from the guideline amount whenever any 14 of the children are required by court order to spend a 15 substantial amount of time with either parent; 16 prohibiting use of certain factors in imputing income 17 beyond minimum wage unless a court makes specified 18 findings; revising provisions relating to income tax 19 calculations used in determining net income; 20 eliminating a reduction in the child care cost added 21 to the basic support obligation; providing for 22 determination of the total minimum child support need; 23 providing for payment of a parent's share of the 24 minimum total child support need; deleting provisions 25 relating to adjustment of a minimum child support 26 award relating to the Internal Revenue Service 27 dependency exemption; providing for adjustment of a 28 party's minimum child support award when application 29 of the child support quidelines leaves the party with

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30	a net income lower than the federal poverty
31	guidelines; revising the percentage of overnight time-
32	sharing that is considered significant for certain
33	purposes; allowing a court to order a party to execute
34	a waiver of the Internal Revenue Service dependency
35	exemption for a child for good cause shown; amending
36	s. 409.2563, F.S.; revising provisions relating to a
37	presumption of minimum wage earning capacity for
38	purposes of administrative support orders; amending s.
39	742.08, F.S.; providing for enforcement of interest
40	payments on support judgments; providing that interest
41	shall not accrue on postjudgment interest; providing
42	an effective date.
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44	Be It Enacted by the Legislature of the State of Florida:
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46	Section 1. Subsection (10) of section 61.075, Florida
47	Statutes, is amended to read:
48	61.075 Equitable distribution of marital assets and
49	liabilities
50	(10) To do equity between the parties, the court may, in
51	lieu of or to supplement, facilitate, or effectuate the
52	equitable division of marital assets and liabilities, order a
53	monetary payment in a lump sum or in installments paid over a
54	fixed period of time. If deferred payment is ordered, the court
55	shall require security and a reasonable rate of interest, or
56	otherwise recognize the time value of money, in any such
57	deferred distribution scheme, absent good cause. The court shall
58	make written findings of fact relating to any deferred payment,

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59	security or lack thereof, and interest or lack thereof. Nothing
60	in this section shall preclude application of any provision of
61	chapter 55 to any subsequent default.
62	Section 2. Paragraph (d) of subsection (6) of section
63	61.14, Florida Statutes, is amended, and subsection (12) is
64	added to that section, to read:
65	61.14 Enforcement and modification of support, maintenance,
66	or alimony agreements or orders
67	(6)
68	(d) The court shall hear the obligor's motion to contest
69	the impending judgment within 15 days after the date of filing
70	of the motion. Upon the court's denial of the obligor's motion,
71	the amount of the delinquency and all other amounts that become
72	due, together with costs and a service charge of up to \$25,
73	become a final judgment by operation of law against the obligor.
74	The depository shall charge interest at the rate established in
75	s. 55.03 on all judgments for support. Payments on judgments
76	shall be applied first to the current child support due, then to
77	any delinquent principal, and then to interest on the support
78	judgment. Payments on alimony or spousal support judgments shall
79	be applied first to the current alimony or spousal support due,
80	then to any delinquent principal, and then to interest on the
81	alimony or spousal support judgment.
82	(12) Interest on child support and alimony or spousal
83	support judgments shall be enforceable through all of the
84	methods available to enforce the underlying support order,
85	including contempt. Interest shall not accrue on postjudgment
86	interest.
87	Section 3. Paragraph (a) of subsection (1), paragraph (b)

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586-04466-09 20092166c1 88 of subsection (2), paragraph (a) of subsection (3), and 89 subsections (7), (10), and (11) of section 61.30, Florida Statutes, are amended, and subsection (18) is added to that 90 91 section, to read: 92 61.30 Child support guidelines; retroactive child support.-(1) (a) The child support guideline amount as determined by 93 94 this section presumptively establishes the amount the trier of 95 fact shall order as child support in an initial proceeding for such support or in a proceeding for modification of an existing 96 97 order for such support, whether the proceeding arises under this or another chapter. The trier of fact may order payment of child 98 99 support which varies, plus or minus 5 percent, from the 100 guideline amount, after considering all relevant factors, 101 including the needs of the child or children, age, station in 102 life, standard of living, and the financial status and ability 103 of each parent. The trier of fact may order payment of child 104 support in an amount which varies more than 5 percent from such 105 quideline amount only upon a written finding explaining why ordering payment of such guideline amount would be unjust or 106 107 inappropriate. Notwithstanding the variance limitations of this section, the trier of fact shall order payment of child support 108 109 which varies from the guideline amount as provided in paragraph 110 (11) (b) whenever any of the children are required by court order or mediation agreement to spend a substantial amount of time 111 112 with either parent as defined by subparagraph (11)(b)8. This 113 requirement applies to any living arrangement, whether temporary or permanent. 114 115 (2) Income shall be determined on a monthly basis for each

116 parent as follows:

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118	(b) $1$ . Income on a monthly basis shall be imputed to an
119	unemployed or underemployed parent when such employment or
120	underemployment is found by the court to be voluntary on that
121	parent's part, absent a finding of fact by the court of physical
122	or mental incapacity or other circumstances over which the
123	parent has no control. In the event of such voluntary
124	unemployment or underemployment, the employment potential and
125	probable earnings level of the parent shall be determined based
126	upon his or her recent work history, occupational
127	qualifications, and prevailing earnings level in the community
128	as provided in this paragraph; however, the court may refuse to
129	impute income to a parent if the court finds it necessary for
130	the parent to stay home with the child who is the subject of a
131	child support calculation.
132	2. There shall be a rebuttable presumption entitling the
133	court to impute Florida minimum wage on a full-time basis to a
134	parent, absent a finding by the court that:
135	a. The parent has a physical or mental incapacity that
136	renders the parent unemployable or underemployed;
137	b. The parent needs to stay home to care for a child who is
138	the subject of the child support calculation, thereby preventing
139	the parent's employment or rendering the parent underemployed;
140	or
141	c. There are other circumstances over which the parent has
142	no control, except for penal incarceration, that prevent the
143	parent from earning an income.
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145	If evidence is produced that demonstrates that the parent is a

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586-04466-09 20092166c1 146 resident of another state, that state's minimum wage law shall 147 apply. In the absence of a state minimum wage, the federal minimum wage as determined by the United States Department of 148 149 Labor shall apply. 150 (3) Net income is obtained by subtracting allowable 151 deductions from gross income. Allowable deductions shall 152 include: 153 (a) Federal, state, and local income tax which shall be 154 calculated using gross income deductions, adjusted for actual 155 filing status, personal and dependency exemptions, applicable 156 deductions, earned income credits, child and dependent care 157 credits, and other allowable tax credits and allowable 158 dependents and income tax liabilities. 159 (7) Child care costs incurred on behalf of the children due 160 to employment, job search, or education calculated to result in 161 employment or to enhance income of current employment of either parent shall be reduced by 25 percent and then shall be added to 162 163 the basic obligation. After the adjusted child care costs are 164 added to the basic obligation, any moneys prepaid by a parent for child care costs for the child or children of this action 165

shall be deducted from that parent's child support obligation for that child or those children. Child care costs shall not exceed the level required to provide quality care from a licensed source for the children.

(10) <u>The total minimum child support need shall be</u>
determined by adding child care costs and health insurance costs
to the minimum child support need. Each parent's actual dollar
share of the total minimum child support need shall be
determined by multiplying the minimum child support need by each

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175	parent's percentage share of the combined monthly net income.
176	The resulting amount shall be paid by the parent having less
177	than 20 percent of the overnight time-sharing to the parent
178	having more than 80 percent of the overnight time-sharing.
179	(11)(a) The court may adjust the total minimum child
180	support award, or either or both parents' share of the total
181	minimum child support award, based upon the following deviation
182	factors:
183	1. Extraordinary medical, psychological, educational, or
184	dental expenses.
185	2. Independent income of the child, not to include moneys
186	received by a child from supplemental security income.
187	3. The payment of support for a parent which regularly has
188	been paid and for which there is a demonstrated need.
189	4. Seasonal variations in one or both parents' incomes or
190	expenses.
191	5. The age of the child, taking into account the greater
192	needs of older children.
193	6. Special needs, such as costs that may be associated with
194	the disability of a child, that have traditionally been met
195	within the family budget even though the fulfilling of those
196	needs will cause the support to exceed the presumptive amount
197	established by the guidelines.
198	7. Total available assets of the obligee, obligor, and the
199	child.
200	8. The impact of the Internal Revenue Service dependency
201	exemption and waiver of that exemption. The court may order a
202	parent to execute a waiver of the Internal Revenue Service
203	dependency exemption if the paying parent is current in support

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204 payments.

205 <u>8.9.</u> When application of the child support guidelines 206 schedule requires a person to pay another person more than 55 207 percent of his or her gross income for a child support 208 obligation for current support resulting from a single support 209 order <u>or when the application of the child support guidelines</u> 210 <u>leaves a party with a net income that is lower than the current</u> 211 federal poverty guidelines.

212 <u>9.10.</u> The particular parenting plan, such as where the 213 child spends a significant amount of time, but less than <u>20</u> 40 214 percent of the overnights, with one parent, thereby reducing the 215 financial expenditures incurred by the other parent; or the 216 refusal of a parent to become involved in the activities of the 217 child.

218 <u>10.11.</u> Any other adjustment which is needed to achieve an 219 equitable result which may include, but not be limited to, a 220 reasonable and necessary existing expense or debt. Such expense 221 or debt may include, but is not limited to, a reasonable and 222 necessary expense or debt which the parties jointly incurred 223 during the marriage.

(b) Whenever a particular parenting plan provides that each child spend a substantial amount of time with each parent, the court shall adjust any award of child support, as follows:

1. In accordance with subsections (9) and (10), calculate the amount of support obligation apportioned to each parent without including day care and health insurance costs in the calculation and multiply the amount by 1.5.

231 2. Calculate the percentage of overnight stays the child232 spends with each parent.

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586-04466-09 20092166c1 233 3. Multiply each parent's support obligation as calculated 234 in subparagraph 1. by the percentage of the other parent's 235 overnight stays with the child as calculated in subparagraph 2. 236 4. The difference between the amounts calculated in 237 subparagraph 3. shall be the monetary transfer necessary between 238 the parents for the care of the child, subject to an adjustment 239 for day care and health insurance expenses.

5. Pursuant to subsections (7) and (8), calculate the net amounts owed by each parent for the expenses incurred for day care and health insurance coverage for the child. <del>Day care shall</del> <del>be calculated without regard to the 25-percent reduction applied</del> <del>by subsection (7).</del>

6. Adjust the support obligation owed by each parent pursuant to subparagraph 4. by crediting or debiting the amount calculated in subparagraph 5. This amount represents the child support which must be exchanged between the parents.

249 7. The court may deviate from the child support amount 250 calculated pursuant to subparagraph 6. based upon the deviation 251 factors in paragraph (a), as well as the obligee parent's low 252 income and ability to maintain the basic necessities of the home 253 for the child, the likelihood that either parent will actually 254 exercise the time-sharing schedule set forth in the parenting 255 plan granted by the court, and whether all of the children are 256 exercising the same time-sharing schedule.

8. For purposes of adjusting any award of child support under this paragraph, "substantial amount of time" means that a parent exercises <u>time-sharing</u> <del>visitation</del> at least <u>20</u> 40 percent of the overnights of the year.

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(c) A parent's failure to regularly exercise the court-

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262	ordered or agreed time-sharing schedule not caused by the other
263	parent which resulted in the adjustment of the amount of child
264	support pursuant to subparagraph (a) <u>9.</u> <del>10.</del> or paragraph (b)
265	shall be deemed a substantial change of circumstances for
266	purposes of modifying the child support award. A modification
267	pursuant to this paragraph shall be retroactive to the date the
268	noncustodial parent first failed to regularly exercise the
269	court-ordered or agreed time-sharing schedule.
270	(18) The court may, for good cause shown, order the parent
271	otherwise entitled to the Internal Revenue Service dependency
272	exemption for a child to execute a waiver of the dependency
273	exemption.
274	Section 4. Paragraph (a) of subsection (5) of section
275	409.2563, Florida Statutes, is amended to read:
276	409.2563 Administrative establishment of child support
277	obligations
278	(5) PROPOSED ADMINISTRATIVE SUPPORT ORDER
279	(a) After serving notice upon a parent in accordance with
280	subsection (4), the department shall calculate that parent's
281	child support obligation under the child support guidelines
282	schedule as provided by s. 61.30, based on any timely financial
283	affidavits received and other information available to the
284	department. If either parent fails to comply with the
285	requirement to furnish a financial affidavit, the department may
286	proceed on the basis of information available from any source,
287	if such information is sufficiently reliable and detailed to
288	allow calculation of guideline schedule amounts under s. 61.30.
289	If a parent receives public assistance and fails to submit a
290	financial affidavit, the department may submit a financial

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586-04466-09 20092166c1 291 affidavit for that parent pursuant to s. 61.30(15). If there is 292 a lack of sufficient reliable information concerning a parent's 293 actual earnings for a current or past period, there shall be a 294 rebuttable presumption it shall be presumed for the purpose of 295 establishing a support obligation that the parent had an earning 296 capacity equal to the Florida federal minimum wage on a full-297 time basis during the applicable period, unless evidence is 298 presented that the parent is a resident of another state, in which case that state's minimum wage shall apply. In the absence 299 300 of a state minimum wage, the federal minimum wage as determined 301 by the United States Department of Labor shall apply.

302 Section 5. Section 742.08, Florida Statutes, is amended to 303 read:

304 742.08 Default of support payments.-Upon default in payment 305 of any moneys ordered by the court to be paid, the court may 306 enter a judgment for the amount in default, plus interest, 307 administrative costs, filing fees, and other expenses incurred 308 by the clerk of the circuit court which shall be a lien upon all 309 property of the defendant both real and personal. Interest on 310 support judgments shall be enforceable through all of the methods available to enforce the underlying support order, 311 312 including contempt. Interest shall not accrue on postjudgment 313 interest. Costs and fees shall be assessed only after the court 314 makes a determination of the nonprevailing party's ability to 315 pay such costs and fees. In Title IV-D cases, any costs, 316 including filing fees, recording fees, mediation costs, service 317 of process fees, and other expenses incurred by the clerk of the 318 circuit court, shall be assessed only against the nonprevailing 319 obligor after the court makes a determination of the

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320	nonprevailing obligor's ability to pay such costs and fees. The
321	Department of Revenue shall not be considered a party for
322	purposes of this section; however, fees may be assessed against
323	the department pursuant to s. 57.105(1). Willful failure to
324	comply with an order of the court shall be deemed a contempt of
325	the court entering the order and shall be punished as such. The
326	court may require bond of the defendant for the faithful
327	performance of his or her obligation under the order of the
328	court in such amount and upon such conditions as the court shall
329	direct.
330	Section 6. This act shall take effect October 1, 2009.

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