

**No. 32. An act relating to child support enforcement.**

(S.101)

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 15 V.S.A. § 606(d) is amended to read:

(d)(1) In lieu of interest on unpaid child support which has accrued under a child support order, a child support surcharge shall be imposed on past-due child support. ~~The Beginning July 1, 2004, the~~ surcharge shall be computed and assessed monthly at a rate of one percent or an annual rate of 12 percent and shall not be compounded. Beginning January 1, 2012, the surcharges shall be computed and assessed monthly at a rate of one-half percent or an annual rate of six percent and shall not be compounded. All surcharges shall be deemed principal and not interest. Payments received for child support obligations shall be allocated and distributed as follows:

~~(1)~~(A) first to current support obligations;

~~(2)~~(B) second to arrearages; and

~~(3)~~(C) third to surcharge arrears.

(2) In the interest of justice, the court may discharge all or part of a surcharge that accrued subsequent to the date of the last judgment upon a finding that since that date, the obligated parent became unable to comply with the underlying support obligation. The obligated parent shall bear the burden of proving inability to comply.

Sec. 2. CHILD SUPPORT ENFORCEMENT WORKING GROUP

(a) A working group composed of the director of the office of child support, the administrative judge, the commissioner of the department of corrections, the executive director of the department of state's attorneys and sheriffs, the defender general, and a representative of the family law division of the Vermont bar association shall develop recommendations and a legislative proposal regarding:

(1) how the state can assist willing obligors to comply with child support orders;

(2) the use of civil and criminal contempt and any other strategies for unwilling obligors;

(3) an approach to address arrearages due to the custodial parent, both the large amounts that will likely never be paid and the small amounts that keep an obligor from being in compliance;

(4) the value of license suspension as it relates to child support noncompliance;

(5) the use of presumptive orders, alternatives, and strategies to develop an appropriate order when a noncustodial parent does not appear at a hearing;

(6) whether child support should continue to terminate at age 18 or whether it should be extended if a child is still in college; and

(7) the feasibility of a family problem-solving docket that could address issues of child support.

(b) The working group shall present its findings and recommendations to the office of legislative council no later than November 1, 2011, and the legislative council shall draft a bill implementing the proposal for consideration by the senate and house committees on judiciary.

Sec. 3. 33 V.S.A. § 4103 is amended to read:

§ 4103. REGISTRY

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(b) All orders for child support subject to wage withholding shall require that payment be made through the registry and shall be deemed IV-D cases. All orders for child support not subject to wage withholding made or modified on or after July 1, 1990 shall require that payment be made through the registry as a IV-D case unless the parties have agreed that the obligor will pay the obligee directly.

(c) In the case where neither parent requests services under Title IV-D of the Social Security Act or where the case is not a IV-D case by operation of law, the office of child support services may recover the administrative costs of processing payments through the child support registry, not to exceed an administrative fee of \$5.00 per month. The family division of the superior court shall increase the monthly support obligation to take the administrative

cost into account unless the noncustodial parent is below the federal poverty level. The office of child support services shall deduct the cost from the first payment received each month. Fees collected under this subsection shall be credited to a special fund and shall be available to the office of child support services to offset the costs of its administrative services.

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Sec. 4. EFFECTIVE DATE

Sec. 3 of this act shall take effect January 1, 2012, and the remaining sections shall take effect on July 1, 2011.

Approved: May 17, 2011