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## SENATE BILL No. 329

By Committee on Ways and Means

2-16

AN ACT concerning child support enforcement; establishing the Kansas payment center; income withholding; amending K.S.A. 23-4,136, 38-1121, 38-1123 and 60-2803 and K.S.A. 2000 Supp. 23-4,106, 23-4,108, **23-4,111,** 23-4,118, 60-1610 and 60-2308 and repealing the existing sections.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 2000 Supp. 23-4,106 is hereby amended to read as follows: 23-4,106. As used in the income withholding act:

- (a) "Arrearage" means the total amount of unpaid support which is due and unpaid under an order for support, based upon the due date specified in the order for support or, if no specific date is stated in the order, the last day of the month in which the payment is to be made. If the order for support includes a judgment for reimbursement, an arrearage equal to or greater than the amount of support payable for one month exists on the date the order for support is entered.
- "Business day" means a day on which state offices in Kansas are open for regular business.
- "Health benefit plan" means any benefit plan, other than public assistance, which is able to provide hospital, surgical, medical, dental or any other health care or benefits for a child, whether through insurance or otherwise, and which is available through a parent's employment or other group plan.
- "Income" means any form of periodic payment to an individual, regardless of source, including, but not limited to, wages, salary, trust, royalty, commission, bonus, compensation as an independent contractor, annuity and retirement benefits, workers compensation and any other periodic payments made by any person, private entity or federal, state or local government or any agency or instrumentality thereof. "Income" does not include: (1) Any amounts required by law to be withheld, other than creditor claims, including but not limited to federal and state taxes, social security tax and other retirement and disability contributions; (2) any amounts exempted by federal law; (3) public assistance payments; and (4) unemployment insurance benefits except to the extent otherwise

 provided by law. Any other state or local laws which limit or exempt income or the amount or percentage of income that can be withheld shall not apply. Workers compensation shall be considered income only for the purposes of child support and not for the purposes of maintenance.

- (e) "Income withholding order" means an order issued under this act which requires a payor to withhold income to satisfy an order for support or to defray an arrearage.
- (f) "Medical child support order" means an order requiring a parent to provide coverage for a child under a health benefit plan and, where the context requires, may include an order requiring a payor to enroll a child in a health benefit plan.
- (g) "Medical withholding order" means an income withholding order which requires an employer, sponsor or other administrator of a health benefit plan to enroll a child under the health coverage of a parent.
- (h) "Nonparticipating parent" means, if one parent is a participating parent as defined in this section, the other parent.
- (i) "Obligee" means the person or entity to whom a duty of support is owed.
- (j) "Obligor" means any person who owes a duty to make payments or provide health benefit coverage under an order for support.
- (k) "Order for support" means any order of a court, or of an administrative agency authorized by law to issue such an order, which provides for payment of funds for the support of a child, or for maintenance of a spouse or ex-spouse, and includes an order which provides for modification or resumption of a previously existing order; payment of uninsured medical expenses; payment of an arrearage accrued under a previously existing order; a reimbursement order, including but not limited to an order established pursuant to K.S.A. 39-718a or 39-718b, and amendments thereto; an order established pursuant to K.S.A. 23-451 *et seq.* and amendments thereto; or a medical child support order.
- (l) "Participating parent" means a parent who is eligible for single coverage under a health benefit plan as defined in this section, regardless of the type of coverage actually in effect, if any.
- (m) "Payor" means any person or entity owing income to an obligor or any self-employed obligor and includes, with respect to a medical child support order, the sponsor or administrator of a health benefit plan.
- (n) "Public office" means any elected or appointed official of the state or any political subdivision or agency of the state, or any subcontractor thereof, who is or may become responsible by law for enforcement of, or who is or may become authorized to enforce, an order for support, including but not limited to the department of social and rehabilitation services, court trustees, county or district attorneys and other subcontractors.

(o) "Title IV-D" means part D of title IV of the federal social security act (42 U.S.C. § 651 et seq.) and amendments thereto, as in effect on May 1, 1997 December 31, 1999. "Title IV-D cases" means those cases required by title IV-D to be processed by the department of social and rehabilitation services under the state's plan for providing title IV-D services.

- Sec. 2. K.S.A. 2000 Supp. 23-4,108 is hereby amended to read as follows: 23-4,108. (a) It shall be the affirmative duty of any payor to respond within 10 days to written requests for information presented by the public office concerning: (1) The full name of the obligor; (2) the current address of the obligor; (3) the obligor's social security number; (4) the obligor's work location; (5) the number of the obligor's claimed dependents; (6) the obligor's gross income; (7) the obligor's net income; (8) an itemized statement of deductions from the obligor's income; (9) the obligor's pay schedule; (10) the obligor's health insurance coverage; and (11) whether or not income owed the obligor is being withheld pursuant to this act. This is an exclusive list of the information that the payor is required to provide under this section.
- (b) It shall be the duty of any payor who has been served a *copy of* an income withholding order for payment of an order for cash support to deduct and pay over income as provided in this section. The payor shall begin the required deductions no later than the next payment of income due the obligor after 14 days following service of the order on the payor.
- (c) Within seven business days of the time the obligor is normally paid, the payor shall pay the amount withheld as directed by the income withholding agency pursuant to K.S.A. 23-4,109 and amendments thereto, as directed by the income withholding order or by a rule of the Kansas supreme court. The payor shall identify each payment with the name of the obligor, the county and case number of the income withholding order, and the date the income was withheld from the obligor. A payor subject to more than one income withholding order payable to the same payee may combine the amounts withheld into a single payment, but only if the amount attributable to each income withholding order is clearly identified. Premiums required for a child's coverage under a health benefit plan shall be remitted as provided in the health benefit plan and shall not be combined with any other support payment required by the income withholding order.
- (d) The payor shall continue to withhold income as required by the income withholding order until further order of the court or agency.
- (e) From income due the obligor, the payor may withhold and retain to defray the payor's costs a cost recovery fee of \$5 for each pay period for which income is withheld or \$10 for each month for which income is withheld, whichever is less. Such cost recovery fee shall be in addition to

the amount withheld as support.

- (f) The entire sum withheld by the payor, including the cost recovery fee and premiums due from the obligor which are incurred solely because of a medical withholding order, shall not exceed the limits provided for under section 303(b) of the consumer credit protection act (15 U.S.C. § 1673(b)). If amounts of earnings required to be withheld exceed the maximum amount of earnings which may be withheld according to the consumer credit protection act, priority shall be given to payment of current and past due support, and the payor shall promptly notify the holder of the limited power of attorney of any nonpayment of premium for a health benefit plan on the child's behalf. An income withholding order issued pursuant to this act shall not be considered a wage garnishment as defined in subsection (b) of K.S.A. 60-2310 and amendments thereto. If amounts of earnings required to be withheld in accordance with this act are less than the maximum amount of earnings which could be withheld according to the consumer credit protection act, the payor shall honor garnishments filed by other creditors to the extent that the total amount taken from earnings does not exceed consumer credit protection act limitations.
- (g) The payor shall promptly notify the court or agency that issued the income withholding order of the termination of the obligor's employment or other source of income, or the layoff of the obligor from employment, and provide the obligor's last known address and the name and address of the individual's current employer, if known.
- (h) A payor who complies with *a copy of* an income withholding order that is regular on its face shall not be subject to civil liability to any person or agency for conduct in compliance with the income withholding order.
- (i) Except as provided further, if any payor violates the provisions of this act, the court may enter a judgment against the payor for the total amount which should have been withheld and paid over. If the payor, without just cause or excuse, intentionally fails to pay over income within the time established in subsection (c) and the obligee files a motion to have such income paid over, the court shall enter a judgment against the payor and in favor of the obligee for three times the amount of the income owed and reasonable attorney fees.
- (j) In addition to any judgment authorized by subsection (i), a payor shall be subject to a civil penalty not exceeding \$500 and other equitable relief as the court considers proper if the payor: (1) Discharges, refuses to employ or takes disciplinary action against an obligor subject to an income withholding order because of such withholding and the obligations or additional obligations which it imposes upon the payor; or (2) fails to withhold support from income or to pay such amounts in the manner required by this act.

Sec. 3. K.S.A. 2000 Supp. 23-4,111 is hereby amended to read

 as follows: 23-4,111. This section shall not apply if the income withholding order was issued by the IV-D agency pursuant to K.S.A. 39-7,147 or 39-7,148 and amendments thereto, unless IV-D services are no longer being provided with respect to either current support or arrearages.

- (a) At any time upon motion the court shall: (1) Modify or terminate the income withholding order because of a modification or termination of the underlying order for support; (2) modify the amount of income withheld to reflect payment in full of the arrearage by income withholding or otherwise; or (3) modify, or when appropriate terminate, an income withholding order consisting in whole or in part of a medical withholding order because of a modification or termination of the underlying medical child support order.
- (b) On request of the obligee or public office, the court shall issue an order which modifies the amount of income withheld, subject to the limitations of subsection (f) of K.S.A. 23-4,108 and amendments thereto.
- (c) The obligor may file a motion to terminate an income order for cash support if: (1) The withholding order has not previously been terminated under this subsection and subsequently initiated; and (2) there is a written agreement among all interested parties which provides for an alternative arrangement. Under this subsection, the court may terminate the income withholding order unless it finds good cause for denying the motion because of the obligor's payment history or otherwise. If an income withholding order is terminated for any reason and the obligor subsequently becomes delinquent in the payment of the order for support, the obligee or public office may obtain another income withholding order by complying with all requirements for notice and service pursuant to this act.
- (d) If the income withholding order includes both a medical withholding order and an income withholding order for cash support, modification or termination of one portion of the income withholding order shall not modify or terminate any other portion of the income withholding order except as expressly provided by the court.
- (e) If support payments are undeliverable to the obligee, any such payments shall be held in trust by the court until the payments can be delivered.
- 41 —(f) (e) The clerk of court shall cause to be served on the payor a 42 copy of any order entered pursuant to this section that affects the 43 duties of the payor.

Sec. 3 4. K.S.A. 2000 Supp. 23-4,118 is hereby amended to read as follows: 23-4,118. (a) The department of social and rehabilitation services is designated as the state income withholding agency in title IV D cases. For the purpose of keeping adequate records to document, track and monitor support payments in title IV D cases and for the purpose of initiating the income withholding process in such cases, the department may contract for the performance of all or a portion of the withholding agency function with existing title IV D contractors or any newly created entity capable of providing such services.

- (b) In all other cases, except as otherwise provided in this subsection, the clerk of the district court is designated as the income withholding agency for the purpose of keeping adequate records to allow the obligor and obligee to track and monitor support payments. If a district court trustee has been designated by the chief judge to receive, process and maintain records for moneys received under support orders, the district court trustee is designated as the income withholding agency for non-IV-D cases in the judicial district. The department of social and rehabilitation services, the title IV-D agency for the state, shall establish a central unit for collection and disbursement of support payments to meet the requirements of title IV-D. The department shall collaborate with the Kansas supreme court to establish the central unit for collection and disbursement of support payments, which shall include, but is not limited to, all support payments subject to the requirements of title IV-D. Upon designation by the Kansas supreme court, the central unit for collection and disbursement of support payments shall commence operations with respect to support orders entered in each county as provided in a schedule adopted or approved by the supreme court or the supreme court's designee.
- (b) When the central unit for collection and disbursement of support payments commences operations with respect to a county, any provision in any child support order or income withholding order entered in that county which requires remittance of support payments to the clerk of the district court or district court trustee shall be deemed to require remittance of support payments to the central unit for collection and disbursement of support payments, regardless of the date the child support or income withholding order was entered.
- (c) As used in this section, "child support order" includes any order for maintenance of a spouse or ex-spouse issued in conjunction with a child support order.
- Sec. 4 5. K.S.A. 23-4,136 is hereby amended to read as follows: 23-4,136. Any person who is the obligor under a support order of another jurisdiction may obtain voluntary income withholding by filing with the court a request for an income withholding order and a certified copy of the support order of the other jurisdiction. The court shall issue an in-

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come withholding order, as provided in subsection (i) of K.S.A. 23-4,107 and amendments thereto, which shall be honored by any payor regardless of whether there is an arrearage. In such a case, payments shall be made from the payor or the clerk of the court to the agency for distribution to the obligee.

- Sec. 5 6. K.S.A. 38-1121 is hereby amended to read as follows: 38-1121. (a) The judgment or order of the court determining the existence or nonexistence of the parent and child relationship is determinative for all purposes, but if any person necessary to determine the existence of a father and child relationship for all purposes has not been joined as a party, a determination of the paternity of the child shall have only the force and effect of a finding of fact necessary to determine a duty of support.
- (b) If the judgment or order of the court is at variance with the child's birth certificate, the court shall order that a new birth certificate be issued, but only if any man named as the father on the birth certificate is a party to the action.
- Upon adjudging that a party is the parent of a minor child, the court shall make provision for support and education of the child including the necessary medical expenses incident to the birth of the child. The court may order the support and education expenses to be paid by either or both parents for the minor child. When the child reaches 18 years of age, the support shall terminate unless: (1) The parent or parents agree, by written agreement approved by the court, to pay support beyond that time; (2) the child reaches 18 years of age before completing the child's high school education in which case the support shall not automatically terminate, unless otherwise ordered by the court, until June 30 of the school year during which the child became 18 years of age if the child is still attending high school; or (3) the child is still a bona fide high school student after June 30 of the school year during which the child became 18 years of age, in which case the court, on motion, may order support to continue through the school year during which the child becomes 19 years of age so long as the child is a bona fide high school student and the parents jointly participated or knowingly acquiesced in the decision which delayed the child's completion of high school. The court, in extending support pursuant to subsection (c)(3), may impose such conditions as are appropriate and shall set the child support utilizing the guideline table category for 16-year through 18-year old children. Provision for payment of support and educational expenses of a child after reaching 18 years of age if still attending high school shall apply to any child subject to the jurisdiction of the court, including those whose support was ordered prior to July 1, 1992. If an agreement approved by the court prior to July 1, 1988, provides for termination of support before the date pro-

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vided by subsection (c)(2), the court may review and modify such agreement, and any order based on such agreement, to extend the date for termination of support to the date provided by subsection (c)(2). If an agreement approved by the court prior to July 1, 1992, provides for termination of support before the date provided by subsection (c)(3), the court may review and modify such agreement, and any order based on such agreement, to extend the date for termination of support to the date provided by subsection (c)(3). For purposes of this section, "bona fide high school student" means a student who is enrolled in full accordance with the policy of the accredited high school in which the student is pursuing a high school diploma or a graduate equivalency diploma (GED). The judgment shall specify the terms of payment and shall require payment to be made through the clerk of the district court or the court trustee except for good cause shown. The judgment may require the party to provide a bond with sureties to secure payment. The court may at any time during the minority of the child modify or change the order of support, including any order issued in a title IV-D case, within three years of the date of the original order or a modification order, as required by the best interest of the child. If more than three years has passed since the date of the original order or modification order, a requirement that such order is in the best interest of the child need not be shown. The court may make a modification of support retroactive to a date at least one month after the date that the motion to modify was filed with the court. Any increase in support ordered effective prior to the date the court's judgment is filed shall not become a lien on real property pursuant to K.S.A. 60-2202, and amendments thereto.

(d) If both parents are parties to the action, the court shall enter such orders regarding custody, residency and parenting time as the court considers to be in the best interest of the child.

If the parties have an agreed parenting plan it shall be presumed the agreed parenting plan is in the best interest of the child. This presumption may be overcome and the court may make a different order if the court makes specific findings of fact stating why the agreed parenting plan is not in the best interest of the child. If the parties are not in agreement on a parenting plan, each party shall submit a proposed parenting plan to the court for consideration at such time before the final hearing as may be directed by the court.

(e) In entering an original order for support of a child under this section, the court may award an additional judgment to reimburse the expenses of support and education of the child from the date of birth to the date the order is entered. If the determination of paternity is based upon a presumption arising under K.S.A. 38-1114 and amendments thereto, the court shall award an additional judgment to reimburse all or

part of the expenses of support and education of the child from at least the date the presumption first arose to the date the order is entered, except that no additional judgment need be awarded for amounts accrued under a previous order for the child's support.

- (f) In determining the amount to be ordered in payment and duration of such payments, a court enforcing the obligation of support shall consider all relevant facts including, but not limited to, the following:
  - (1) The needs of the child.
  - (2) The standards of living and circumstances of the parents.
- 10 (3) The relative financial means of the parents.
  - (4) The earning ability of the parents.
  - (5) The need and capacity of the child for education.
    - (6) The age of the child.
- 14 (7) The financial resources and the earning ability of the child.
- 15 (8) The responsibility of the parents for the support of others.
  - (9) The value of services contributed by both parents.
  - (g) The provisions of K.S.A. 23-4,107, and amendments thereto, shall apply to all orders of support issued under this section.
  - (h) An order granting parenting time pursuant to this section may be enforced in accordance with K.S.A. 23-701, and amendments thereto, or under the uniform child custody jurisdiction and enforcement act.
  - Sec. 6 7. K.S.A. 38-1123 is hereby amended to read as follows: 38-1123. (a) If existence of the father and child relationship has been determined and payment of support is ordered under prior law, the court may order support and any related expenses to be paid through the clerk of the court or district court trustee the central unit for collection and disbursement of support payments designated pursuant to K.S.A. 23-4,118, and amendments thereto. If payment of support is ordered under this act, the court shall require such support and any related expense to be paid through the clerk of the court or the court trustee central unit for collection and disbursement of support payments designated pursuant to K.S.A. 23-4,118, and amendments thereto.
  - (b) The provisions of K.S.A. 23 4,107 the Kansas income withholding act, K.S.A. 23-4,105 through K.S.A. 23-4,123, and amendments thereto, shall apply to orders of support issued under this act or under the predecessor to this act.
  - (c) Willful failure to obey the judgment or order of the court is a civil contempt of the court. All remedies for the enforcement of judgments apply.
  - Sec. 7 8. K.S.A. 2000 Supp. 60-1610 is hereby amended to read as follows: 60-1610. A decree in an action under this article may include orders on the following matters:
    - (a) Minor children. (1) Child support and education. The court shall

make provisions for the support and education of the minor children. The 1 court may modify or change any prior order, including any order issued in a title IV-D case, within three years of the date of the original order 3 or a modification order, when a material change in circumstances is shown, irrespective of the present domicile of the child or the parents. If 5 more than three years has passed since the date of the original order or 6 modification order, a material change in circumstance need not be shown. 7 The court may make a modification of child support retroactive to a date 8 9 at least one month after the date that the motion to modify was filed with 10 the court. Any increase in support ordered effective prior to the date the court's judgment is filed shall not become a lien on real property pursuant 11 to K.S.A. 60-2202 and amendments thereto. Regardless of the type of 12 custodial arrangement ordered by the court, the court may order the child 13 support and education expenses to be paid by either or both parents for 14 15 any child less than 18 years of age, at which age the support shall terminate unless: (A) The parent or parents agree, by written agreement 16 17 approved by the court, to pay support beyond the time the child reaches 18 years of age; (B) the child reaches 18 years of age before completing 18 the child's high school education in which case the support shall not ter-19 20 minate automatically, unless otherwise ordered by the court, until June 21 30 of the school year during which the child became 18 years of age if the child is still attending high school; or (C) the child is still a bona fide 22 high school student after June 30 of the school year during which the 23 child became 18 years of age, in which case the court, on motion, may 24 25 order support to continue through the school year during which the child 26 becomes 19 years of age so long as the child is a bona fide high school student and the parents jointly participated or knowingly acquiesced in 27 28 the decision which delayed the child's completion of high school. The court, in extending support pursuant to subsection (a)(1)(C), may impose 29 30 such conditions as are appropriate and shall set the child support utilizing the guideline table category for 16-year through 18-year old children. 31 Provision for payment of support and educational expenses of a child after 32 reaching 18 years of age if still attending high school shall apply to any 33 34 child subject to the jurisdiction of the court, including those whose sup-35 port was ordered prior to July 1, 1992. If an agreement approved by the court prior to July 1, 1988, provides for termination of support before the 36 37 date provided by subsection (a)(1)(B), the court may review and modify such agreement, and any order based on such agreement, to extend the 38 39 date for termination of support to the date provided by subsection 40 (a)(1)(B). If an agreement approved by the court prior to July 1, 1992, provides for termination of support before the date provided by subsec-41 42 tion (a)(1)(C), the court may review and modify such agreement, and any 43 order based on such agreement, to extend the date for termination of

support to the date provided by subsection (a)(1)(C). For purposes of this section, "bona fide high school student" means a student who is enrolled in full accordance with the policy of the accredited high school in which the student is pursuing a high school diploma or a graduate equivalency diploma (GED). In determining the amount to be paid for child support, the court shall consider all relevant factors, without regard to marital misconduct, including the financial resources and needs of both parents, the financial resources and needs of the child and the physical and emotional condition of the child. Until a child reaches 18 years of age, the court may set apart any portion of property of either the husband or wife, or both, that seems necessary and proper for the support of the child. Every Except for good cause shown, every order requiring payment of child support under this section shall require that the support be paid through the <del>clerk of the district court or the court trustee except for good</del> cause shown central unit for collection and disbursement of support payments designated pursuant to K.S.A. 23-4,118, and amendments thereto. If the divorce decree of the parties provides for an abatement of child support during any period provided in such decree, the child support such nonresidential parent owes for such period shall abate during such period of time, except that if the residential parent shows that the criteria for the abatement has not been satisfied there shall not be an abatement of such child support.

- (2) Child custody and residency. (A) Changes in custody. Subject to the provisions of the uniform child custody jurisdiction and enforcement act (K.S.A. 38-1336 through 38-1377, and amendments thereto), the court may change or modify any prior order of custody, residency, visitation and parenting time, when a material change of circumstances is shown, but no ex parte order shall have the effect of changing residency of a minor child from the parent who has had the sole de facto residency of the child to the other parent unless there is sworn testimony to support a showing of extraordinary circumstances. If an interlocutory order is issued ex parte, the court shall hear a motion to vacate or modify the order within 15 days of the date that a party requests a hearing whether to vacate or modify the order.
- (B) *Examination of parties.* The court may order physical or mental examinations of the parties if requested pursuant to K.S.A. 60-235 and amendments thereto.
- (3) *Child custody or residency criteria.* The court shall determine custody or residency of a child in accordance with the best interests of the child.
- (A) If the parties have entered into a parenting plan, it shall be presumed that the agreement is in the best interests of the child. This presumption may be overcome and the court may make a different order if

the court makes specific findings of fact stating why the agreed parenting plan is not in the best interests of the child.

- (B) In determining the issue of child custody, residency and parenting time, the court shall consider all relevant factors, including but not limited to:
- (i) The length of time that the child has been under the actual care and control of any person other than a parent and the circumstances relating thereto;
  - (ii) the desires of the child's parents as to custody or residency;
  - iii) the desires of the child as to the child's custody or residency;
- (iv) the interaction and interrelationship of the child with parents, siblings and any other person who may significantly affect the child's best interests:
  - (v) the child's adjustment to the child's home, school and community;
- (vi) the willingness and ability of each parent to respect and appreciate the bond between the child and the other parent and to allow for a continuing relationship between the child and the other parent; and
  - (vii) evidence of spousal abuse.

Neither parent shall be considered to have a vested interest in the custody or residency of any child as against the other parent, regardless of the age of the child, and there shall be no presumption that it is in the best interests of any infant or young child to give custody or residency to the mother.

- (4) Types of legal custodial arrangements. Subject to the provisions of this article, the court may make any order relating to custodial arrangements which is in the best interests of the child. The order shall provide one of the following legal custody arrangements, in the order of preference:
- (A) *Joint legal custody*. The court may order the joint legal custody of a child with both parties. In that event, the parties shall have equal rights to make decisions in the best interests of the child.
- (B) Sole legal custody. The court may order the sole legal custody of a child with one of the parties when the court finds that it is not in the best interests of the child that both of the parties have equal rights to make decisions pertaining to the child. If the court does not order joint legal custody, the court shall include on the record specific findings of fact upon which the order for sole legal custody is based. The award of sole legal custody to one parent shall not deprive the other parent of access to information regarding the child unless the court shall so order, stating the reasons for that determination.
- (5) Types of residential arrangements. After making a determination of the legal custodial arrangements, the court shall determine the residency of the child from the following options, which arrangement the

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court must find to be in the best interest of the child. The parties shall submit to the court either an agreed parenting plan or, in the case of dispute, proposed parenting plans for the court's consideration. Such options are:

- (A) *Residency*. The court may order a residential arrangement in which the child resides with one or both parents on a basis consistent with the best interests of the child.
- (B) *Divided residency*. In an exceptional case, the court may order a residential arrangement in which one or more children reside with each parent and have parenting time with the other.
- Nonparental residency. If during the proceedings the court determines that there is probable cause to believe that the child is a child in need of care as defined by subsections (a)(1), (2) or (3) of K.S.A. 38-1502 and amendments thereto or that neither parent is fit to have residency, the court may award temporary residency of the child to a grandparent, aunt, uncle or adult sibling, or, another person or agency if the court finds the award of custody to such person or agency is in the best interests of the child. In making such a residency order, the court shall give preference, to the extent that the court finds it is in the best interests of the child, first to awarding such residency to a relative of the child by blood, marriage or adoption and second to awarding such residency to another person with whom the child has close emotional ties. The court may make temporary orders for care, support, education and visitation that it considers appropriate. Temporary residency orders are to be entered in lieu of temporary orders provided for in K.S.A. 38-1542 and 38-1543, and amendments thereto, and shall remain in effect until there is a final determination under the Kansas code for care of children. An award of temporary residency under this paragraph shall not terminate parental rights nor give the court the authority to consent to the adoption of the child. When the court enters orders awarding temporary residency of the child to an agency or a person other than the parent, the court shall refer a transcript of the proceedings to the county or district attorney. The county or district attorney shall file a petition as provided in K.S.A. 38-1531 and amendments thereto and may request termination of parental rights pursuant to K.S.A. 38-1581 and amendments thereto. The costs of the proceedings shall be paid from the general fund of the county. When a final determination is made that the child is not a child in need of care, the county or district attorney shall notify the court in writing and the court, after a hearing, shall enter appropriate custody orders pursuant to this section. If the same judge presides over both proceedings, the notice is not required. Any disposition pursuant to the Kansas code

for care of children shall be binding and shall supersede any order under

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(b) Financial matters. (1) Division of property. The decree shall divide the real and personal property of the parties, including any retirement and pension plans, whether owned by either spouse prior to marriage, acquired by either spouse in the spouse's own right after marriage or acquired by the spouses' joint efforts, by: (A) a division of the property in kind; (B) awarding the property or part of the property to one of the spouses and requiring the other to pay a just and proper sum; or (C) ordering a sale of the property, under conditions prescribed by the court, and dividing the proceeds of the sale. Upon request, the trial court shall set a valuation date to be used for all assets at trial, which may be the date of separation, filing or trial as the facts and circumstances of the case may dictate. The trial court may consider evidence regarding changes in value of various assets before and after the valuation date in making the division of property. In dividing defined-contribution types of retirement and pension plans, the court shall allocate profits and losses on the nonparticipant's portion until date of distribution to that nonparticipant. In making the division of property the court shall consider the age of the parties; the duration of the marriage; the property owned by the parties; their present and future earning capacities; the time, source and manner of acquisition of property; family ties and obligations; the allowance of maintenance or lack thereof; dissipation of assets; the tax consequences of the property division upon the respective economic circumstances of the parties; and such other factors as the court considers necessary to make a just and reasonable division of property. The decree shall provide for any changes in beneficiary designation on: (A) Any insurance or annuity policy that is owned by the parties, or in the case of group life insurance policies, under which either of the parties is a covered person; (B) any trust instrument under which one party is the grantor or holds a power of appointment over part or all of the trust assets, that may be exercised in favor of either party; or (C) any transfer on death or payable on death account under which one or both of the parties are owners or beneficiaries. Nothing in this section shall relieve the parties of the obligation to effectuate any change in beneficiary designation by the filing of such change with the insurer or issuer in accordance with the terms of such policy.

(2) Maintenance. The decree may award to either party an allowance for future support denominated as maintenance, in an amount the court finds to be fair, just and equitable under all of the circumstances. The decree may make the future payments modifiable or terminable under circumstances prescribed in the decree. The court may make a modification of maintenance retroactive to a date at least one month after the date that the motion to modify was filed with the court. In any event, the court may not award maintenance for a period of time in excess of 121

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months. If the original court decree reserves the power of the court to hear subsequent motions for reinstatement of maintenance and such a motion is filed prior to the expiration of the stated period of time for 3 maintenance payments, the court shall have jurisdiction to hear a motion 5 by the recipient of the maintenance to reinstate the maintenance payments. Upon motion and hearing, the court may reinstate the payments 6 in whole or in part for a period of time, conditioned upon any modifying 7 or terminating circumstances prescribed by the court, but the reinstate-8 9 ment shall be limited to a period of time not exceeding 121 months. The 10 recipient may file subsequent motions for reinstatement of maintenance prior to the expiration of subsequent periods of time for maintenance 11 payments to be made, but no single period of reinstatement ordered by 12 the court may exceed 121 months. Maintenance may be in a lump sum, 13 in periodic payments, on a percentage of earnings or on any other basis. 14 15 At any time, on a hearing with reasonable notice to the party affected, the court may modify the amounts or other conditions for the payment 16 17 of any portion of the maintenance originally awarded that has not already become due, but no modification shall be made without the consent of 18 the party liable for the maintenance, if it has the effect of increasing or 19 20 accelerating the liability for the unpaid maintenance beyond what was 21 prescribed in the original decree. Every order requiring payment of maintenance under this section shall require that the maintenance be paid 22 23 through the <del>clerk of the district court or the court trustee</del> central unit for collection and disbursement of support payments designated 24 25 pursuant to K.S.A. 23-4,118, and amendments thereto, except for 26 good cause shown. 27

- (3) Separation agreement. If the parties have entered into a separation agreement which the court finds to be valid, just and equitable, the agreement shall be incorporated in the decree. A separation agreement may include provisions relating to a parenting plan. The provisions of the agreement on all matters settled by it shall be confirmed in the decree except that any provisions relating to the legal custody, residency, visitation parenting time, support or education of the minor children shall be subject to the control of the court in accordance with all other provisions of this article. Matters settled by an agreement incorporated in the decree, other than matters pertaining to the legal custody, residency, visitation, parenting time, support or education of the minor children, shall not be subject to subsequent modification by the court except: (A) As prescribed by the agreement or (B) as subsequently consented to by the parties.
- (4) Costs and fees. Costs and attorney fees may be awarded to either party as justice and equity require. The court may order that the amount be paid directly to the attorney, who may enforce the order in the attorney.

ney's name in the same case.

- (c) *Miscellaneous matters.* (1) *Restoration of name.* Upon the request of a spouse, the court shall order the restoration of that spouse's maiden or former name.
- (2) Effective date as to remarriage. Any marriage contracted by a party, within or outside this state, with any other person before a judgment of divorce becomes final shall be voidable until the decree of divorce becomes final. An agreement which waives the right of appeal from the granting of the divorce and which is incorporated into the decree or signed by the parties and filed in the case shall be effective to shorten the period of time during which the remarriage is voidable.
- Sec. **8 9**. K.S.A. 2000 Supp. 60-2308 is hereby amended to read as follows: 60-2308. (a) Money received by any debtor as pensioner of the United States within three months next preceding the issuing of an execution, or attachment, or garnishment process, cannot be applied to the payment of the debts of such pensioner when it appears by the affidavit of the debtor or otherwise that such pension money is necessary for the maintenance of the debtor's support or a family support wholly or in part by the pension money. The filing of the affidavit by the debtor, or making proof as provided in this section, shall be *prima facie* evidence of the necessity of such pension money for such support. It shall be the duty of the court in which such proceeding is pending to release all moneys held by such attachment or garnishment process, immediately upon the filing of such affidavit, or the making of such proof.
- (b) Except as provided in subsection (c), any money or other assets payable to a participant or beneficiary from, or any interest of any participant or beneficiary in, a retirement plan which is qualified under sections 401(a), 403(a), 403(b), 408, 408A or 409 of the federal internal revenue code of 1986 and amendments thereto shall be exempt from any and all claims of creditors of the beneficiary or participant. Any such plan shall be conclusively presumed to be a spendthrift trust under these statutes and the common law of the state. All records of the debtor concerning such plan or arrangement and of the plan concerning the debtor's participation in the plan or arrangement shall be exempt from the subpoena process.
- (c) Any plan or arrangement described in subsection (b) shall not be exempt from the claims of an alternate payee under a qualified domestic relations order. However, the interest of any and all alternate payees under a qualified domestic relations order shall be exempt from any and all claims of any creditor, other than the state department of social and rehabilitation services, of the alternate payee. As used in this subsection, the terms "alternate payee" and "qualified domestic relations order" have the meaning ascribed to them in section 414(p) of the federal internal

revenue code of 1986 and amendments thereto.

- (d) The provisions of subsections (b) and (c) shall apply to any proceeding which: (1) Is filed on or after July 1, 1986; or (2) was filed on or after January 1, 1986, and is pending or on appeal July 1, 1986.
- (e) Money held by the central unit for collection and disbursement of support payments designated pursuant to K.S.A. 23-4,118, and amendments thereto, the state department of social and rehabilitation services, any clerk of a district court or a any district court trustee in connection with a court order for the support of any person, whether it be the money is identified as child support, spousal support, alimony or maintenance, shall be exempt from execution, attachment or garnishment process.
- Sec. 9 10. K.S.A. 60-2803 is hereby amended to read as follows: 60-2803. (a) When a money judgment rendered in a civil action in a court of this state is satisfied, the judgment creditor or the assignee of the judgment creditor shall file satisfaction and release of the judgment within twenty days after receipt of written demand therefor, sent by restricted mail as defined by K.S.A. 60-103 and amendments thereto. Such satisfaction and release shall be filed with the clerk of the court in which the judgment was entered and with the clerk of any other court in which the judgment was filed.
- (b) If a judgment creditor or the assignee of a judgment creditor refuses or neglects to enter satisfaction and release of a judgment when required by this section, such judgment creditor or assignee shall be liable to the judgment debtor, or other interested person demanding the satisfaction or release, in damages in the amount of one hundred dollars, together with a reasonable attorney's fee for preparing and prosecuting the action to recover such damages.
- (c) The provisions of this section shall not apply if the judgment is satisfied by payment through the office of the clerk of the district court, the district court trustee or any central unit for collection and disbursement of support payments designated pursuant to K.S.A. 23-4,118, and amendments thereto.
- Sec. 40 11. K.S.A. 23-4,136, 38-1121, 38-1123 and 60-2803 and K.S.A. 2000 Supp. 23-4,106, 23-4,108, 23-4,111, 23-4,118, 60-1610 and 60-2308 are hereby repealed.
- Sec. 41 12. This act shall take effect and be in force from and after its publication in the Kansas register.