

1 AN ACT relating to child support.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. KRS 205.721 is amended to read as follows:

- 4 (1) All services available to individuals receiving public assistance under Title IV-A of
5 the Federal Social Security Act benefits shall also be available to individuals not
6 receiving public assistance benefits, upon application by the individual with the
7 cabinet.
- 8 (2) The cabinet shall continue to provide IV-D services when a family ceases to receive
9 public assistance without requiring a formal application and without payment of the
10 application fee specified in subsection (3) of this section. IV-D services shall be
11 discontinued upon the request of the recipient.
- 12 (3) Except as provided in subsection (2) of this section, the cabinet may charge an
13 application fee for the services based on a fee schedule, which shall take into
14 account the applicant's net income. No application fee shall be required from
15 individuals receiving public assistance.
- 16 (4) The cabinet shall impose an annual fee of thirty-five dollars (\$35)~~twenty-five~~
17 ~~dollars (\$25)]~~ pursuant to 42 U.S.C. sec. 654~~Public Law 109-171, Section 7310~~,
18 which shall be satisfied by withholding the fee from a child support disbursement.

19 ➔Section 2. KRS 403.212 is amended to read as follows:

- 20 (1) The following provisions and child support table shall be the child support
21 guidelines established for the Commonwealth of Kentucky.
- 22 (2) For the purposes of the child support guidelines:
- 23 (a) "Income" means actual gross income of the parent if employed to full capacity
24 or potential income if unemployed or underemployed.
- 25 (b) "Gross income" includes income from any source, except as excluded in this
26 subsection, and includes but is not limited to income from salaries, wages,
27 retirement and pension funds, commissions, bonuses, dividends, severance

1 pay, pensions, interest, trust income, annuities, capital gains, Social Security
2 benefits, workers' compensation benefits, unemployment insurance benefits,
3 disability insurance benefits, Supplemental Security Income (SSI), gifts,
4 prizes, and alimony or maintenance received. Specifically excluded are
5 benefits received from means-tested public assistance programs, including but
6 not limited to public assistance as defined under Title IV-A of the Federal
7 Social Security Act, and food stamps.

8 (c) For income from self-employment, rent, royalties, proprietorship of a
9 business, or joint ownership of a partnership or closely held corporation,
10 "gross income" means gross receipts minus ordinary and necessary expenses
11 required for self-employment or business operation. Straight-line depreciation,
12 using Internal Revenue Service (IRS) guidelines, shall be the only allowable
13 method of calculating depreciation expense in determining gross income.
14 Specifically excluded from ordinary and necessary expenses for purposes of
15 this guideline shall be investment tax credits or any other business expenses
16 inappropriate for determining gross income for purposes of calculating child
17 support. Income and expenses from self-employment or operation of a
18 business shall be carefully reviewed to determine an appropriate level of gross
19 income available to the parent to satisfy a child support obligation. In most
20 cases, this amount will differ from a determination of business income for tax
21 purposes. Expense reimbursement or in-kind payments received by a parent in
22 the course of employment, self-employment, or operation of a business or
23 personal use of business property or payments of expenses by a business, shall
24 be counted as income if they are significant and reduce personal living
25 expenses such as a company or business car, free housing, reimbursed meals,
26 or club dues.

27 (d) If a parent is voluntarily unemployed or underemployed, child support shall be

1 calculated based on a determination of potential income, except that a
2 determination of potential income shall not be made for a parent who is
3 incarcerated, physically or mentally incapacitated, or is caring for a very
4 young child, age three (3) or younger, for whom the parents owe a joint legal
5 responsibility. Potential income shall be determined based upon employment
6 potential and probable earnings level based on the obligor's or obligee's recent
7 work history, occupational qualifications, and prevailing job opportunities and
8 earnings levels in the community. A court may find a parent to be voluntarily
9 unemployed or underemployed without finding that the parent intended to
10 avoid or reduce the child support obligation.

11 (e) "Imputed child support obligation" means the amount of child support the
12 parent would be required to pay from application of the child support
13 guidelines.

14 (f) Income statements of the parents shall be verified by documentation of both
15 current and past income. Suitable documentation shall include, but shall not
16 be limited to, income tax returns, paystubs, employer statements, or receipts
17 and expenses if self-employed.

18 (g) "Combined monthly adjusted parental gross income" means the combined
19 monthly gross incomes of both parents, less any of the following payments
20 made by the parent:

- 21 1. The amount of pre-existing orders for current maintenance for prior
22 spouses to the extent payment is actually made and the amount of
23 current maintenance, if any, ordered paid in the proceeding before the
24 court;
- 25 2. The amount of pre-existing orders of current child support for prior-born
26 children to the extent payment is actually made under those orders; and
- 27 3. A deduction for the support to the extent payment is made, if a parent is

1 legally responsible for and is actually providing support for other prior-
2 born children who are not the subject of a particular proceeding. If the
3 prior-born children reside with that parent, an "imputed child support
4 obligation" shall be allowed in the amount which would result from
5 application of the guidelines for the support of the prior-born children.

6 (h) "Split custody arrangement" means a situation where each parent is the
7 residential custodian for one (1) or more children for whom the parents share
8 a joint legal responsibility.

9 (3) The child support obligation set forth in the child support guidelines table shall be
10 divided between the parents in proportion to their combined monthly adjusted
11 parental gross income.

12 (4) The child support obligation shall be the appropriate amount for the number of
13 children in the table for whom the parents share a joint legal responsibility. The
14 minimum amount of child support shall be sixty dollars (\$60) per month.

15 (5) The court may use its judicial discretion in determining child support in
16 circumstances where combined adjusted parental gross income exceeds the
17 uppermost levels of the guideline table.

18 (6) The child support obligation in a split custody arrangement shall be calculated in the
19 following manner:

20 (a) Two (2) separate child support obligation worksheets shall be prepared, one
21 (1) for each household, using the number of children born of the relationship
22 in each separate household, rather than the total number of children born of
23 the relationship.

24 (b) The nonresidential custodian with the greater monthly obligation amount shall
25 pay the difference between the obligation amounts, as determined by the
26 worksheets, to the other parent.

27 (7) The child support guidelines table is as follows:

1	COMBINED						
2	MONTHLY						
3	ADJUSTED						
4	PARENTAL						
5	GROSS						SIX
6	INCOME	ONE	TWO	THREE	FOUR	FIVE	OR
7		CHILD	CHILDREN				MORE
8	\$ 0	\$ 60	\$ 60	\$ 60	\$ 60	\$ 60	\$ 60
9	100	60	60	60	60	60	60
10	200	70	70	70	70	70	70
11	300	80	80	80	80	80	80
12	400	90	90	90	90	90	90
13	500	100	105	110	115	120	125
14	600	120	125	130	135	140	145
15	700	140	156	161	166	171	176
16	800	160	203	208	213	218	223
17	900	180	261	266	271	276	281
18	1,000	195	303	325	330	335	340
19	1,100	212	324	384	389	394	399
20	1,200	229	346	433	446	451	456
21	1,300	246	367	460	504	510	515
22	1,400	262	392	491	554	576	582
23	1,500	277	417	522	588	642	650
24	1,600	293	437	548	618	674	717
25	1,700	308	458	574	647	706	755
26	1,800	322	478	599	675	736	788
27	1,900	336	495	620	699	763	816

1	2,000	350	512	642	723	789	844
2	2,100	364	529	663	747	815	872
3	2,200	376	546	684	771	841	900
4	2,300	389	563	706	795	868	928
5	2,400	401	580	727	819	894	956
6	2,500	413	597	749	843	920	984
7	2,600	424	614	770	867	946	1,012
8	2,700	435	630	790	889	970	1,038
9	2,800	445	646	809	911	994	1,064
10	2,900	455	662	829	934	1,019	1,090
11	3,000	465	677	849	956	1,043	1,116
12	3,100	475	693	868	978	1,067	1,142
13	3,200	485	709	888	1,001	1,092	1,168
14	3,300	495	725	908	1,023	1,116	1,194
15	3,400	506	741	928	1,045	1,140	1,220
16	3,500	516	757	947	1,067	1,164	1,246
17	3,600	526	773	967	1,090	1,189	1,272
18	3,700	536	790	988	1,113	1,215	1,299
19	3,800	548	808	1,011	1,139	1,243	1,329
20	3,900	559	826	1,033	1,164	1,270	1,359
21	4,000	571	844	1,056	1,190	1,298	1,388
22	4,100	580	862	1,078	1,215	1,326	1,418
23	4,200	592	880	1,101	1,240	1,353	1,448
24	4,300	603	898	1,123	1,266	1,381	1,477
25	4,400	615	916	1,146	1,291	1,409	1,507
26	4,500	626	933	1,161	1,316	1,435	1,535
27	4,600	636	949	1,181	1,338	1,459	1,561

1	4,700	647	964	1,200	1,360	1,483	1,586
2	4,800	657	980	1,220	1,381	1,507	1,612
3	4,900	667	995	1,239	1,403	1,531	1,637
4	5,000	676	1,010	1,257	1,424	1,554	1,661
5	5,100	686	1,025	1,275	1,444	1,576	1,685
6	5,200	695	1,039	1,294	1,465	1,599	1,709
7	5,300	705	1,054	1,312	1,486	1,621	1,733
8	5,400	714	1,069	1,330	1,506	1,644	1,757
9	5,500	724	1,083	1,348	1,527	1,666	1,781
10	5,600	733	1,098	1,367	1,548	1,689	1,805
11	5,700	743	1,113	1,385	1,568	1,712	1,829
12	5,800	753	1,127	1,403	1,589	1,734	1,853
13	5,900	762	1,142	1,421	1,610	1,757	1,877
14	6,000	772	1,157	1,440	1,630	1,779	1,901
15	6,100	781	1,171	1,458	1,651	1,802	1,926
16	6,200	791	1,186	1,476	1,672	1,824	1,950
17	6,300	800	1,198	1,498	1,690	1,844	1,970
18	6,400	808	1,209	1,511	1,705	1,860	1,988
19	6,500	816	1,219	1,524	1,720	1,876	2,005
20	6,600	823	1,230	1,538	1,735	1,893	2,023
21	6,700	830	1,240	1,551	1,750	1,909	2,040
22	6,800	837	1,251	1,564	1,764	1,925	2,058
23	6,900	844	1,261	1,577	1,779	1,942	2,075
24	7,000	851	1,272	1,591	1,794	1,958	2,093
25	7,100	858	1,282	1,604	1,809	1,975	2,110
26	7,200	865	1,293	1,617	1,824	1,991	2,127
27	7,300	872	1,303	1,630	1,839	2,007	2,145

1	7,400	879	1,313	1,644	1,854	2,024	2,162
2	7,500	885	1,324	1,657	1,869	2,040	2,179
3	7,600	891	1,333	1,668	1,881	2,053	2,194
4	7,700	896	1,342	1,679	1,893	2,066	2,208
5	7,800	901	1,350	1,691	1,905	2,079	2,223
6	7,900	907	1,359	1,702	1,917	2,093	2,238
7	8,000	912	1,368	1,713	1,929	2,106	2,252
8	8,100	917	1,377	1,724	1,941	2,119	2,267
9	8,200	922	1,386	1,736	1,953	2,133	2,281
10	8,300	928	1,395	1,747	1,965	2,146	2,296
11	8,400	933	1,404	1,758	1,977	2,159	2,311
12	8,500	938	1,413	1,769	1,989	2,173	2,325
13	8,600	944	1,421	1,780	2,002	2,186	2,340
14	8,700	949	1,430	1,792	2,014	2,199	2,354
15	8,800	954	1,437	1,800	2,024	2,210	2,366
16	8,900	958	1,444	1,809	2,033	2,220	2,376
17	9,000	962	1,450	1,817	2,042	2,230	2,387
18	9,100	966	1,457	1,825	2,052	2,241	2,398
19	9,200	971	1,463	1,833	2,061	2,251	2,408
20	9,300	975	1,470	1,842	2,070	2,261	2,419
21	9,400	979	1,476	1,850	2,079	2,271	2,430
22	9,500	983	1,483	1,858	2,089	2,281	2,440
23	9,600	988	1,489	1,866	2,098	2,291	2,451
24	9,700	992	1,496	1,874	2,107	2,301	2,461
25	9,800	996	1,502	1,883	2,117	2,311	2,472
26	9,900	1,000	1,508	1,891	2,126	2,321	2,483
27	10,000	1,005	1,515	1,899	2,165	2,331	2,493

1	10,400	1,022	1,541	1,932	2,202	2,372	2,536
2	10,500	1,027	1,548	1,940	2,212	2,382	2,546
3	10,600	1,032	1,554	1,948	2,221	2,392	2,557
4	10,700	1,036	1,561	1,956	2,230	2,402	2,567
5	10,800	1,040	1,567	1,965	2,240	2,412	2,578
6	10,900	1,044	1,573	1,973	2,249	2,422	2,589
7	11,000	1,049	1,580	1,981	2,258	2,432	2,599
8	11,100	1,053	1,587	1,989	2,268	2,443	2,610
9	11,200	1,058	1,593	1,997	2,277	2,453	2,620
10	11,300	1,062	1,600	2,005	2,286	2,463	2,631
11	11,400	1,066	1,606	2,013	2,295	2,473	2,642
12	11,500	1,070	1,613	2,021	2,305	2,483	2,652
13	11,600	1,075	1,619	2,029	2,314	2,493	2,663
14	11,700	1,079	1,626	2,037	2,323	2,503	2,673
15	11,800	1,084	1,633	2,046	2,333	2,513	2,684
16	11,900	1,088	1,639	2,054	2,342	2,523	2,695
17	12,000	1,093	1,646	2,062	2,351	2,533	2,705
18	12,100	1,097	1,653	2,070	2,361	2,544	2,716
19	12,200	1,102	1,659	2,078	2,370	2,554	2,726
20	12,300	1,106	1,666	2,086	2,379	2,564	2,737
21	12,400	1,110	1,672	2,094	2,388	2,574	2,748
22	12,500	1,114	1,679	2,102	2,398	2,584	2,758
23	12,600	1,119	1,685	2,110	2,407	2,594	2,769
24	12,700	1,123	1,692	2,118	2,416	2,604	2,779
25	12,800	1,128	1,699	2,127	2,426	2,614	2,790
26	12,900	1,132	1,705	2,135	2,435	2,624	2,801
27	13,000	1,137	1,712	2,143	2,444	2,634	2,811

1	13,100	1,141	1,719	2,151	2,454	2,645	2,822
2	13,200	1,146	1,725	2,159	2,463	2,665	2,832
3	13,300	1,150	1,732	2,167	2,472	2,665	2,843
4	13,400	1,154	1,738	2,175	2,481	2,675	2,854
5	13,500	1,158	1,745	2,183	2,491	2,685	2,864
6	13,600	1,163	1,751	2,191	2,500	2,695	2,875
7	13,700	1,167	1,758	2,199	2,509	2,705	2,885
8	13,800	1,172	1,765	2,208	2,519	2,715	2,896
9	13,900	1,176	1,771	2,216	2,528	2,725	2,907
10	14,000	1,181	1,778	2,224	2,537	2,735	2,917
11	14,100	1,185	1,785	2,232	2,547	2,746	2,928
12	14,200	1,190	1,791	2,240	2,556	2,756	2,938
13	14,300	1,194	1,798	2,248	2,565	2,766	2,949
14	14,400	1,198	1,804	2,256	2,574	2,776	2,960
15	14,500	1,202	1,811	2,264	2,584	2,786	2,970
16	14,600	1,207	1,817	2,272	2,593	2,796	2,981
17	14,700	1,211	1,824	2,280	2,602	2,806	2,991
18	14,800	1,216	1,831	2,289	2,612	2,816	3,002
19	14,900	1,220	1,837	2,297	2,621	2,826	3,013
20	15,000	1,225	1,844	2,305	2,630	2,836	3,023

21 ➔Section 3. KRS 403.215 is amended to read as follows:

22 After July 15, 1990, any new or modified order or decree which contains provisions for
23 the support of a minor child or minor children, shall provide for a wage assignment which
24 shall begin immediately except for good cause shown, and which shall be paid based
25 upon the payment schedule of wages of the employer to whom the wage assignment is
26 directed, and at a minimum, on a monthly basis. If good cause is shown, the wage
27 assignment shall take effect when an arrearage accrues that is equal to the amount of

1 support payable for one (1) month, pursuant to KRS 405.465. Notice of all orders
2 providing for wage assignment issued in Kentucky on or after January 1, 1994, shall
3 be sent to the employer using the federally approved Income Withholding for Support
4 (IWO) form that contains the accompanying OMB number.

5 →Section 4. KRS 405.467 is amended to read as follows:

6 (1) All support orders issued by the Cabinet for Health and Family Services, including
7 those issued pursuant to Part D, Title IV of the Federal Social Security Act, shall
8 provide for immediate withholding of earnings of the parent or parents obligated to
9 pay child support and medical support as is necessary to pay the child support
10 obligation, except where one (1) of the parties demonstrates, and the court or
11 administrative order finds that there is good cause not to require immediate income
12 withholding, or a written agreement is reached by both parties which provides for an
13 alternative arrangement.

14 (2) In any case in which a support order was issued in the state and in which a parent is
15 required to pay court-ordered or administratively determined child support, medical
16 support, maintenance, and medical support insurance, and wage withholding is not
17 in effect, and an arrearage accrues that is equal to the amount of support payment
18 for one (1) month, upon request of the absent parent, request of the custodial parent,
19 or upon administrative determination, the secretary shall issue an order for
20 withholding of earnings of the parent as is necessary to comply with the order plus
21 interest at the legal rate on the arrearage, if any, without the need for a judicial or
22 administrative hearing.

23 (3) If a court-ordered arrearage repayment amount does not exist and an arrearage
24 accrues that is equal to the amount of support payable for one (1) month, an
25 arreage repayment amount may be determined administratively. The cabinet
26 shall promulgate administrative regulations establishing the guidelines for
27 arreage payments.

1 (4) In any case in which a parent is required either by court order or administrative
2 order to provide medical insurance coverage for the child and the parent has failed
3 to make application to obtain coverage for the child, the secretary shall issue an
4 order for withholding of the employee's share, if any, of premiums for health
5 coverage and to pay the share of premiums to the insurer, without the need for a
6 judicial or administrative hearing.

7 (5)~~(4)~~ The cabinet shall advise the obligated parent that a wage withholding has
8 commenced by sending a copy of the order to withhold at the same time that the
9 order is sent to the employer. The only basis for contesting the withholding shall be
10 a mistake of fact or law. If the parent contests the withholding, the cabinet shall give
11 the obligor an opportunity to present his or her case at an administrative hearing
12 conducted in accordance with KRS Chapter 13B and decide if the withholding will
13 continue.

14 (6)~~(5)~~ The cabinet shall combine any administrative or judicial wage withholding
15 order, or multiple administrative or judicial orders for child support and medical
16 support into a single wage withholding order when payable through the cabinet to a
17 single family or to multiple family units.

18 (7)~~(6)~~ The cabinet shall serve the order to withhold earnings or notice of multiple
19 wage withholding orders specifying wage withholding requirements on the
20 employer of an obligor by certified mail, return receipt requested. The order shall
21 state the amount to be withheld, or the requirement to enroll the child under the
22 health insurance coverage, including amounts to be applied to arrearages, plus
23 interest at the legal rate on the arrearage, if any, and the date the withholding is to
24 begin. The total amount to be withheld, including current support and payment on
25 arrearages plus interest, and medical insurance coverage may not exceed the limit
26 permitted under the federal Consumer Credit Protection Act at 15 U.S.C. sec.
27 1673(b).

1 ~~(8)~~~~(7)~~ If there is more than one (1) notice for child support withholding against a
2 single absent parent, the cabinet shall allocate amounts available for withholding,
3 giving priority to current child support, up to the limits imposed under Section
4 303(b) of the Consumer Credit Protection Act at 15 U.S.C. sec. 1673(b). The
5 allocation by the cabinet shall not result in a withholding for one (1) of the support
6 obligations not being implemented. Amounts resulting from wage withholding shall
7 be allocated on a proportionate basis between multiple family units. Any custodial
8 parent adversely affected by the provisions of this subsection shall have standing to
9 challenge any proportionate allocations and, for good cause shown, a District Court,
10 Circuit Court, or family court of competent jurisdiction may set aside the cabinet's
11 proportional allocations as to the custodial parent.

12 ~~(9)~~~~(8)~~ If the amounts to be withheld preclude collection of the total amount of
13 combined child support and medical support due to the limits of the federal
14 Consumer Credit Protection Act at 15 U.S.C. sec. 1673(b), the actual amount
15 received shall be applied first to the current monthly child support obligation
16 amount. Any payment exceeding the current monthly child support obligation shall
17 then be applied by the cabinet to the administratively ordered or judicially ordered
18 medical support obligation.

19 ~~(10)~~~~(9)~~ The employer shall forward to the Cabinet for Health and Family Services that
20 portion of salary or wages of the parent due and to be due in the future as will be
21 sufficient to pay the child support amount ordered.

22 ~~(11)~~~~(10)~~ The employer shall be held liable to the cabinet for any amount which the
23 employer fails to withhold from earnings due an obligor following receipt of an
24 order to withhold earnings.

25 ~~(12)~~~~(11)~~ Any order to withhold earnings under this section shall have priority as against
26 any attachment, execution, or other assignment, notwithstanding any state statute or
27 administrative regulation to the contrary.

1 ~~(13)~~~~(12)~~ No withholding under this section shall be grounds for discharging from
2 employment, refusing to employ, or taking disciplinary action against any obligor
3 subject to withholding required by this section.

4 ~~(14)~~~~(13)~~ The remedies provided for in this section shall also be available for applicable
5 support orders issued in other states.

6 ~~(15)~~~~(14)~~ Interstate requests for withholding of earnings shall be processed by the
7 cabinet.