

HOUSE BILL No. 2508

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. 23-497, 23-4,106, 23-4,107, 23-4,108, 23-4,118, 60-1610, 60-2308 and section 130 of 2001 Senate Bill No. 57 and repealing the existing sections.

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

Section 1. On and after July 1, 2001, 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.

(b) "Business day" means a day on which state offices in Kansas are open for regular business.

(c) "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.

(d) "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. On and after July 1, 2001, 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 *or electronic* 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 *that meets the requirements of subsection (h)* 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. *The payor shall pay the amounts withheld and identify each payment in the same business day.* 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. *As used in this section, "regular on its face" means a completed document in the standard format for any income withholding notice that has been adopted by the United States secretary of health and human services in a final rule or a certified copy of 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. *If the payor, without good cause, fails to pay over the income and identify each payment in the same business day, the court shall enter a judgment against the payor and in favor of the obligee for twice the amount of the cost recovery fee, as established in subsection (e), per obligor.*

(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. 23-4,118 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.~~

~~(b) The department may contract with a private vendor for the establishment and operation, in whole or in part, of such central unit. Any contract currently in place shall be modified on or before July 1, 2001, to take into account the provisions of this subsection. The following conditions and limitations shall apply to any such contract:~~

~~(1) Any contract shall incorporate by reference the Kansas supreme court rule concerning official child support and maintenance records established pursuant to subsection (c).~~

(2) No contract shall include provisions allowing the vendor to be paid, in whole or in part, on the basis of an amount per phone call received by the center nor allowing the vendor to be paid an amount per check issued for checks that were issued in error by the center.

(3) Any contract with a private vendor shall include penalty provisions for noncompliance with federal regulations relating to the timeliness of collections and disbursements and shall include a monetary penalty of \$100 for each erroneous transaction, whether related to collection or disbursement. Penalties shall be collected as and when assessed. Of the penalty, \$25 shall be allocated to the obligee and \$75 shall be allocated to the department of social and rehabilitation services.

(4) Any contract with a private vendor shall provide for full access to all data by the secretary's designee in the central receivables unit, the designee of the office of judicial administration and the chairperson of the central payment center oversight commission. Further, the contract shall provide that all district court clerks and court trustees have access to records of the vendors sufficient to allow them to assist in the process of matching support payments to the obligees and be provided dedicated telephone access to the vendor for the purpose of assisting the vendor in making accurate and timely disbursements.

(5) Any contract with a private vendor, in addition to sufficient customer service staff during regular business hours, shall require 24-hour access by obligors and obligees to payment files which show status of receipts and disbursements, including, but not limited to, date of receipt by the vendor, date of processing by the vendor and date of mailing to the obligee.

(6) Any contract with a private vendor shall provide that the central unit be known as the Kansas payment center. The name "Kansas payment center" shall be reserved for use by the state of Kansas for the functions of the central unit and shall not be used by any private entity for the collection of support funds.

(7) Any contract with a private vendor shall provide that the vendor create a standardized form that shall accompany all payments made to the central unit for new orders effective on and after January 1, 2002. Such form shall contain the information necessary to assist in the disbursement of such payments.

(c) The Kansas supreme court, by court rule, shall establish the procedure for the creation, maintenance and correction of official child support and maintenance records for use as official court records.

(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.

(e) 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.

(f) 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.

(g) Any unmatched funds which remain unmatched one year after the transfer and after a good faith effort has been made to find the obligee shall be deposited with the state treasurer in accordance with the unclaimed property act.

(h) The provisions of this section shall expire on July 1, 2003.

Sec. 4. On and after July 1, 2001, 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 income 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. On and after July 1, 2001, 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.

(c) 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 provided 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.
 - (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.
 - (7) The financial resources and the earning ability of the child.
 - (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. On and after July 1, 2001, 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. On and after July 1, 2001, 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 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 or a modification order, when a material change in circumstances is

shown, irrespective of the present domicile of the child or the parents. If more than three years has passed since the date of the original order or modification order, a material change in circumstance need not be shown. The court may make a modification of child 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. Regardless of the type of custodial arrangement ordered by the court, the court may order the child support and education expenses to be paid by either or both parents for 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 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 the child's high school education in which case the support shall not terminate automatically, 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 (C) 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 (a)(1)(C), 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 provided by subsection (a)(1)(B), 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 (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 subsection (a)(1)(C), 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 (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 clerk of the district court or the court trustee except for good cause shown central unit for collection and disbursement of support payments designated pursuant to K.S.A. 23-4,118, and amendments thereto. A written agreement between the parties to make direct child support payments to the obligee and not pay through the central unit shall constitute good cause, unless the court finds the agreement is not in the best interest of the child or children. The obligor shall file such written agreement with the court. The obligor shall maintain written evidence of the payment of the support obligation and, at least annually, shall provide such evidence to the court and the obligee.* 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 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.

(C) *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 this section.

(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 non-participant'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 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 maintenance payments, the court shall have jurisdiction to hear a motion by the recipient of the maintenance to reinstate the maintenance payments. Upon motion and hearing, the court may reinstate the payments in whole or in part for a period of time, conditioned upon any modifying or terminating circumstances prescribed by the court, but the reinstatement shall be limited to a period of time not exceeding 121 months. The recipient may file subsequent motions for reinstatement of maintenance prior to the expiration of subsequent periods of time for maintenance payments to be made, but no single period of reinstatement ordered by the court may exceed 121 months. Maintenance may be in a lump sum, in periodic payments, on a percentage of earnings or on any other basis. 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 of any portion of the maintenance originally awarded that has not already become due, but no modification shall be made without the consent of the party liable for the maintenance, if it has the effect of increasing or accelerating the liability for the unpaid maintenance beyond what was prescribed in the original decree. *Except for good cause shown*, every order requiring payment of maintenance under this section shall require that the maintenance be paid through the ~~clerk of the district court or the court trustee except for good cause shown~~ central unit for collection and disbursement of support payments designated pursuant to K.S.A. 23-4,118, and amendments thereto. *A written agreement between the parties to make direct maintenance payments to the obligee and not pay through the central unit shall constitute good cause. If child support and maintenance payments are both made to an obligee by the same obligor, and if the court has made a determination concerning the manner of payment of child support, then maintenance payments shall be paid in the same manner.*

(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'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. On and after July 1, 2001, 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. On and after July 1, 2001, 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 disburse-*

ment of support payments designated pursuant to K.S.A. 23-4,118, and amendments thereto.

New Sec. 10. (a) There is hereby created the central payment center oversight commission.

(b) Commission members shall include:

- (1) A district court judge whose jurisdiction includes domestic relations;
- (2) a court trustee who works in child support enforcement;
- (3) a district court clerk;
- (4) an employer, with more than 100 employees, who provides income withholding;
- (5) an employer, with less than 10 employees, who provides income withholding;
- (6) a custodial parent who has a court order to receive child support;
- (7) a noncustodial parent who is under a support order to pay child support;
- (8) a representative appointed by the governor;
- (9) the state treasurer or the treasurer's designee;
- (10) a representative of the office of judicial administration as an ex officio member;
- (11) the central receivables unit manager of the department of social and rehabilitation services or the manager's designee as an ex officio member;
- (12) four members of the legislature as ex officio members. Of the four members, one representative shall be appointed by the speaker of the house of representatives, one representative shall be appointed by the minority leader of the house of representatives, one senator shall be appointed by the president of the senate and one senator shall be appointed by the minority leader of the senate;
- (13) the vendor operating the central unit for the collection and disbursement of support payments, pursuant to K.S.A. 23-4,118, and amendments thereto, or the vendor's designee as an ex officio member; and
- (14) the director of the title IV-D division or the director's designee as an ex officio member.

(c) The legislative coordinating council shall appoint the members of the commission under subsections (b)(1) through (b)(8) and appoint a temporary chairperson to convene the initial meeting.

(d) The initial members of the commission shall be appointed no later than July 1, 2001. Members shall serve terms of two years, except that the initial terms of members under subsections (b)(5) through (b)(8) shall be one year to provide for staggered terms for commission members. Vacancies shall be filled in the same manner as the original appointments and for the remainder of the unexpired term. Members whose terms have expired shall continue to serve until their successors have been appointed. Members shall be eligible for reappointment. The commission shall select a chairperson, annually, from its membership. A chairperson may serve more than one year.

(e) The commission shall meet on call of the chairperson as authorized by the legislative coordinating council.

(f) The staff of the legislative research department, the office of the revisor of statutes and the division of legislative administrative services shall provide such assistance as may be requested by the commission and to the extent authorized by the legislative coordinating council.

(g) Members of the commission attending meetings of the committee, or attending a subcommittee meeting thereof authorized by the legislative coordinating council, shall be paid compensation, travel expenses and subsistence expenses or allowances as provided in K.S.A. 75-3212 and amendments thereto.

(h) The central payment center oversight commission duties shall include, but not be limited to:

- (1) Recommending to the department of social and rehabilitation services, if appropriate, ways to improve or enhance the effectiveness of the central unit for the collection and disbursement of support payments;
- (2) recommending performance indicators for the central unit;
- (3) recommending legislation which would clarify and improve state law regarding support for children as it relates to the central unit;
- (4) presenting an annual report of its activities and recommendations to the legislative coordinating council by February 1;

(5) reviewing and making nonbinding suggestions and recommendations to the terms of any current or proposed contract with a private vendor who is or may be operating the central unit;

(6) monitoring federal regulations relating to the central unit mandate and evaluate any and all opportunities for appropriate waivers and options out of the mandate;

(7) monitoring all unmatched funds in suspense status and make recommendations regarding the handling of unmatched payments in suspense, whether by the state or a private vendor;

(8) monitoring the penalty provisions in any private vendor contract and monitor the status of violations and collection of penalties;

(9) monitoring the quality of customer service;

(10) conducting public hearings in order to fulfill the oversight function, as authorized by the legislative coordinating council;

(11) reviewing the nature and extent of direct payment orders by judicial district and report: (A) On the effectiveness of orders and any abuses occurring; and (B) on the impact on the court trustee system; and

(12) reviewing the income withholding provisions of the law and make recommendations to accelerate the timely receipt and payment of such withholdings.

(i) The provisions of this section shall expire on July 1, 2003.

Sec. 11. On and after July 1, 2001, K.S.A. 2000 Supp. 23-497 is hereby amended to read as follows: 23-497. (a) ~~To~~ *Except as provided further,* to defray the expenses of operation of the court trustee's office, the court trustee is authorized to charge an amount: (1) Whether fixed or sliding scale, based upon the scope of services provided or upon economic criteria, not to exceed 5% of the support collected from obligors through such office, as determined necessary by the chief judge as provided by this section; (2) based upon the hourly cost of office operations for the provision of services on an hourly or per service basis, with the written agreement of the obligee; or (3) from restitution collected, not to exceed the fee authorized by the attorney general under any contract entered into pursuant to K.S.A. 75-719, and amendments thereto.

(b) All such amounts shall be paid to the court trustee operations fund of the county where collected. There shall be created a court trustee operations fund in the county treasury of each county or district court of each county, in each judicial district that establishes the office of court trustee for the judicial district. The moneys budgeted to fund the operation of existing court trustee offices and to fund the start-up costs of new court trustee offices established on or after January 1, 1992, whether as a result of a rule adopted pursuant to K.S.A. 23-494, and amendments thereto, or because this act has created a court trustee operations fund, shall be transferred from the county general fund to the court trustee operations fund. The county commissioners of the county or group of counties, if the judicial district consists of more than one county, by a majority vote, shall decide whether the county or counties will have a court trustee operations fund in the county treasury or the district court of each county. All expenditures from the court trustee operations fund shall be made in accordance with the provisions of K.S.A. 23-492 et seq. and amendments thereto to enforce duties of support. Authorized expenditures from the court trustee operations fund may include repayment of start-up costs, expansions and operations of the court trustee's office to the county general fund. The court trustee shall be paid compensation as determined by the chief judge. The board of county commissioners of each county to which this act may apply shall provide suitable quarters for the office of court trustee, furnish stationery and supplies, and such furniture and equipment as shall, in the discretion of the chief judge, be necessary for the use of the court trustee. The chief judge shall fix and determine the annual budget of the office of the court trustee and shall review and determine on an annual basis the amount necessary to be charged to defray the expense of start-up costs, expansions and operations of the office of court trustee. All payments made by the secretary of social and rehabilitation services pursuant to K.S.A. 23-4,117 and amendments thereto or any grants or other monies received which are intended to further child support enforcement goals or restitution goals shall be deposited in the court trustee operations fund.

(c) The court trustee shall not charge or collect a fee for any support payment that is not paid through the central unit for collection and disbursements of support payments pursuant to K.S.A. 23-4,118, and amendments thereto.

Sec. 12. On and after July 1, 2001, K.S.A. 2000 Supp. 23-4,107 is hereby amended to read as follows: 23-4,107. (a) Any new or modified order for support shall include a provision for the withholding of income to enforce the order for support.

(b) Except as otherwise provided in subsection (j), (k) or (l), all new or modified orders for support shall provide for immediate issuance of an income withholding order. The income withholding order shall be issued without further notice to the obligor and shall specify an amount sufficient to satisfy the order for support and to defray any arrearage. The income withholding order shall be issued regardless of whether a payor subject to the jurisdiction of this state can be identified at the time the order for support is entered.

(c) Except as otherwise provided in this subsection or subsections (j) or (l), if no income withholding order is in effect to enforce the support order, an income withholding order shall be issued by the court upon request of the obligee or public office, provided that the obligor accrued an arrearage equal to or greater than the amount of support payable for one month and the requirements of subsections (d) and (h) have been met. The income withholding order shall be issued without further notice to the obligor and shall specify an amount sufficient to satisfy the order for support and to defray any arrearage. The income withholding order shall be issued regardless of whether a payor subject to the jurisdiction of this state can be identified at the time the income withholding order is issued.

(d) Not less than seven days after the obligee or public office has served a notice pursuant to subsection (h), the obligee or public office may initiate income withholding pursuant to paragraph (1) or (2).

(1) The obligee or public office may apply for an income withholding order by filing with the court an affidavit stating: (A) The date that the notice was served on the obligor and the manner of service; (B) that the obligor has not filed a motion to stay issuance of the income withholding order or, if a motion to stay has been filed, the reason an income withholding order must be issued immediately; (C) a specified amount to be withheld by the payor to satisfy the order of support and to defray any arrearage; (D) whether the income withholding order is to include a medical withholding order; and (E) that the amount of the arrearage as of the date the notice to the obligor was prepared was equal to or greater than the amount of support payable for one month. In addition to any other penalty provided by law, the filing of such an affidavit with knowledge of the falsity of a material declaration is punishable as a contempt.

Upon the filing of the affidavit, the income withholding order shall be issued without further notice to the obligor, hearing or amendments of the support order. Payment of all or part of the arrearage before issuance of the income withholding order shall not prevent issuance of the income withholding order, unless the arrearage is paid in full and the order for support does not include an amount for the current support of a person. No affidavit is required if the court, upon hearing a motion to stay issuance of the income withholding order or otherwise, issues an income withholding order.

(2) In a title IV-D case, the IV-D agency may issue an income withholding order as authorized by K.S.A. 39-7,147, and amendments thereto. Any such income withholding order shall be considered an income withholding order issued pursuant to this act.

(e) (1) An income withholding order shall be directed to any payor of the obligor. Notwithstanding any other requirement of this act as to form or content, any income withholding order prepared in a standard format prescribed by the secretary of social and rehabilitation services shall be deemed to be in compliance with this act.

(2) An income withholding order which does not include a medical withholding order shall require the payor to withhold from any income due, or to become due, to the obligor a specified amount sufficient to satisfy the order of support and to defray any arrearage and shall include

notice of and direction to comply with the provisions of K.S.A. 23-4,108 and 23-4,109, and amendments thereto.

(3) An income withholding order which consists only of a medical withholding order shall include notice of the medical child support order and shall conform to the requirements of K.S.A. 23-4,121 and amendments thereto. The medical withholding order shall include notice of and direction to comply with the requirements of K.S.A. 23-4,108, 23-4,109, 23-4,119 and 23-4,122 and amendments thereto.

(4) An income withholding order which includes both a medical withholding order and an income withholding order for cash support shall meet the requirements of paragraphs (2) and (3).

(f) (1) Upon written request and without the requirement of further notice to the obligor, the clerk of the district court shall cause a copy of the income withholding order to be served on the payor only by personal service or registered mail, return receipt requested.

(2) Without the requirement of further notice to the obligor, the IV-D agency may cause a copy of any income withholding order to be served on the payor only by personal service or registered mail, return receipt requested or by any alternate method acceptable to the payor. No payor shall be liable to any person solely because of the method of service accepted by the payor.

(3) As used in this section, “copy of the income withholding order” means any document or notice, regardless of format, that advises the payor of the same general duties, requires the same amount to be withheld from income and requires medical withholding to the same extent as the original income withholding order.

(g) An income withholding order shall be binding on any existing or future payor on whom a copy of the order is served and shall require the continued withholding of income from each periodic payment of income until further order of the court or agency that issued the income withholding order. At any time following issuance of an income withholding order, a copy of the income withholding order may be served on any payor without the requirement of further notice to the obligor.

(h) Except as provided in subsection (k) or (l), at any time following entry of an order for support the obligee or public office may serve upon the obligor a written notice of intent to initiate income withholding. If any notice in the court record indicates that title IV-D services are being provided in the case, whether or not the IV-D services include enforcement of current support, the person or public office requesting issuance of the income withholding order shall obtain the consent of the IV-D agency to the terms of the proposed income withholding order.

The notice of intent to initiate income withholding shall be served on the obligor only by personal service or registered mail, return receipt requested. The notice served on the obligor must state: (1) The terms of the order of support and the total arrearage as of the date the notice was prepared; (2) the amount of income that will be withheld, not including premiums to satisfy a medical withholding order; (3) whether a medical withholding order will be included; (4) that the provision for withholding applies to any current or subsequent payor; (5) the procedures available for contesting the withholding and that the only basis for contesting the withholding is a mistake of fact concerning the amount of the support order, the amount of the arrearage, the amount of income to be withheld or the proper identity of the obligor; (6) the period within which the obligor must act to stay issuance of the income withholding order and that failure to take such action within the specified time will result in payors’ being ordered to begin withholding; and (7) the action which will be taken if the obligor contests the withholding.

The obligor may, at any time, waive in writing the notice required by this subsection.

(i) On request of an obligor, the court shall issue an income withholding order which shall be honored by a payor regardless of whether there is an arrearage. Nothing in this subsection shall limit the right of the obligee to request modification of the income withholding order.

(j) (1) *In a nontitle IV-D case, upon presentation to the court of a written agreement between the parties providing for an alternative arrangement, no income withholding order shall be issued pursuant to subsection (b). In any case, before entry of a new or modified order for support, a party may request that no income withholding order be issued*

pursuant to subsection (b) if notice of the request has been served on all interested parties and: (A) The party demonstrates, and the court finds, that there is good cause not to require immediate income withholding, or (B) a written agreement among all interested parties provides for an alternative arrangement. *If child support and maintenance payments are both made to an obligee by the same obligor, and if the court has determined that good cause has been shown that direct child support payments to the obligee may be made, then the court shall provide for direct maintenance payments to the obligee and no income withholding order shall be issued pursuant to subsection (b).* In a title IV-D case, the determination that there is good cause not to require immediate income withholding must include a finding that immediate income withholding would not be in the child's best interests and, if an obligor's existing obligation is being modified, proof of timely payment of previously ordered support.

(2) Notwithstanding the provisions of subsection (j)(1), the court shall issue an income withholding order when an affidavit pursuant to subsection (d) is filed if an arrearage exists in an amount equal to or greater than the amount of support payable for one month.

(3) If a notice pursuant to subsection (h) has been served in a title IV-D case, there is no arrearage or the arrearage is less than the amount of support payable for one month, and the obligor files a motion to stay issuance of the income withholding order based upon the court's previous finding of good cause not to require immediate income withholding pursuant to subsection (j)(1), the obligor must demonstrate the continued existence of good cause. Unless the court again finds that good cause not to require immediate income withholding exists, the court shall issue the income withholding order.

(4) If a notice pursuant to subsection (h) has been served in a title IV-D case, there is no arrearage or the arrearage is less than the amount of support payable for one month, and the obligor files a motion to stay issuance of an income withholding order based upon a previous agreement of the interested parties for an alternative arrangement pursuant to subsection (j)(1), the court shall issue an income withholding order, notwithstanding any previous agreement, if the court finds that:

- (A) The agreement was not in writing;
- (B) the agreement was not approved by all interested parties;
- (C) the terms of the agreement or alternative arrangement are not being met;
- (D) the agreement or alternative arrangement is not in the best interests of the child; or
- (E) the agreement or alternative arrangement places an unnecessary burden upon the obligor, obligee or a public office.

(5) The procedures and requirements of K.S.A. 23-4,110 and amendments thereto apply to any motion pursuant to paragraph (3) or (4) of this subsection (j).

(k) (1) An ex parte interlocutory order for support may be enforced pursuant to subsection (b) only if the obligor has consented to the income withholding in writing.

(2) An ex parte interlocutory order for support may be enforced pursuant to subsection (c) only if 10 or more days have elapsed since the order for support was served on the obligor.

(3) Any other interlocutory order for support may be enforced by income withholding pursuant to this act in the same manner as a final order for support.

(4) No bond shall be required for the issuance of an income withholding order to enforce an interlocutory order pursuant to this act.

(l) All new or modified orders for maintenance of a spouse or ex-spouse, except orders for a spouse or ex-spouse living with a child for whom an order of support is also being enforced, entered on or after July 1, 1992, shall include a provision for the withholding of income to enforce the order of support. Unless the parties consent in writing to earlier issuance of a withholding order, withholding shall take effect only after there is an arrearage in an amount equal to or greater than the amount of support payable for two months and after service of a notice as provided in subsection (h).

Sec. 13. Section 130 of 2001 Senate Bill No. 57 is hereby amended to read as follows:

Sec. 130.

DEPARTMENT OF
SOCIAL AND REHABILITATION SERVICES

(a) There is appropriated for the above agency from the state general fund for the fiscal year ending June 30, 2002, the following:

State operations \$88,076,981

Provided, That any unencumbered balance in the state operations account in excess of \$100 as of June 30, 2001, is hereby reappropriated for fiscal year 2002: *Provided further*, That expenditures may be made from this account for the purchase of professional liability insurance for physicians and dentists at any institution, as defined by K.S.A. 76-12a01 and amendments thereto: *And provided further*, That expenditures from this account for official hospitality by the secretary of social and rehabilitation services shall not exceed \$500.

Alcohol and drug abuse services grants..... \$3,535,388

Provided, That any unencumbered balance in the alcohol and drug abuse services grants account in excess of \$100 as of June 30, 2001, is hereby reappropriated for fiscal year 2002.

Mental health and retardation services
aid and assistance \$126,208,957

Provided, That any unencumbered balance in the mental health and retardation services aid and assistance account in excess of \$100 as of June 30, 2001, is hereby reappropriated for fiscal year 2002: *Provided further*, That the secretary of social and rehabilitation services is authorized to refuse to enter into contracts with ICFs/MR: *And provided further*, That the secretary of social and rehabilitation services is hereby authorized and directed to continue meeting with the directors of nursing facilities for mental health (NF/MN facilities) and the directors of community mental health centers and to develop a plan for reducing the reliance of the state on NF/MN facilities and to determine the number of individuals currently in care who are candidates for community based services: *And provided further*, That the secretary of social and rehabilitation services shall not decertify any beds prior to the plan being reviewed by the legislature during the regular session in 2002.

Kansas neurological institute—operating expenditures \$9,398,466

Provided, That any unencumbered balance in the Kansas neurological institute—operating expenditures account in excess of \$100 as of June 30, 2001, is hereby reappropriated for fiscal year 2002: *Provided, however*, That expenditures from such reappropriated balance shall not exceed \$150 except upon approval of the state finance council: *Provided further*, That expenditures from the Kansas neurological institute—operating expenditures account for official hospitality by the superintendent shall not exceed \$150: *And provided further*, That expenditures may be made from this account for educational services contracts which are hereby authorized to be negotiated and entered into by Kansas neurological institute with unified school districts or other public educational services providers: *And provided further*, That such educational services contracts shall not be subject to the competitive bidding requirements of K.S.A. 75-3739 and amendments thereto: *And provided further*, That expenditures shall be made from this account to assist residents of the institution to take personally-used items, which were constructed for use by such residents and which are hereby authorized to be transferred to such residents, from the institution to communities when such residents leave the institution to reside in the communities.

Larned state hospital—operating expenditures..... \$9,716,548

Provided, That any unencumbered balance in the Larned state hospital—operating expenditures account in excess of \$100 as of June 30, 2001, is hereby reappropriated for fiscal year 2002: *Provided, however*, That expenditures from such reappropriated balance shall be made only upon approval of the state finance council: *Provided further*, That expenditures from the Larned state hospital—operating expenditures account for official hospitality by the superintendent shall not exceed \$150: *And provided further*, That expenditures may be made from this account for educational services contracts which are hereby authorized to be negotiated and entered into by Larned state hospital with unified school districts or other public educational services providers: *And provided further*, That

such educational services contracts shall not be subject to the competitive bidding requirements of K.S.A. 75-3739 and amendments thereto.

Osawatomie state hospital—operating expenditures..... \$5,592,630

Provided, That any unencumbered balance in the Osawatomie state hospital—operating expenditures account in excess of \$100 as of June 30, 2001, is hereby reappropriated for fiscal year 2002: *Provided, however*, That expenditures from such reappropriated balance shall not exceed \$150 except upon approval of the state finance council: *Provided further*, That expenditures from the Osawatomie state hospital—operating expenditures account for official hospitality by the superintendent shall not exceed \$150: *And provided further*, That expenditures may be made from this account for educational services contracts which are hereby authorized to be negotiated and entered into by Osawatomie state hospital with unified school districts or other public educational services providers: *And provided further*, That such educational services contracts shall not be subject to the competitive bidding requirements of K.S.A. 75-3739 and amendments thereto.

Parsons state hospital and training center—
operating expenditures..... \$6,201,974

Provided, That any unencumbered balance in the Parsons state hospital and training center—operating expenditures account in excess of \$100 as of June 30, 2001, is hereby reappropriated for fiscal year 2002: *Provided, however*, That expenditures from such reappropriated balance shall not exceed \$150 except upon approval of the state finance council: *Provided further*, That expenditures from the Parsons state hospital and training center—operating expenditures account for official hospitality by the superintendent shall not exceed \$150: *And provided further*, That expenditures may be made from this account for educational services contracts which are hereby authorized to be negotiated and entered into by Parsons state hospital and training center with unified school districts or other public educational services providers: *And provided further*, That such educational services contracts shall not be subject to the competitive bidding requirements of K.S.A. 75-3739 and amendments thereto: *And provided further*, That expenditures shall be made from this account to assist residents of the institution to take personally-used items, which were constructed for use by such residents and which are hereby authorized to be transferred to such residents, from the institution to communities when such residents leave the institution to reside in the communities.

Rainbow mental health facility—
operating expenditures..... \$740,473

Provided, That any unencumbered balance in the Rainbow mental health facility—operating expenditures account in excess of \$100 as of June 30, 2001, is hereby reappropriated for fiscal year 2002: *Provided, however*, That expenditures from such reappropriated balance shall be made only upon approval of the state finance council: *Provided further*, That expenditures from the Rainbow mental health facility—operating expenditures account for official hospitality by the superintendent shall not exceed \$150: *And provided further*, That expenditures may be made from this account for educational services contracts which are hereby authorized to be negotiated and entered into by Rainbow mental health facility with unified school districts or other public educational services providers: *And provided further*, That such educational services contracts shall not be subject to the competitive bidding requirements of K.S.A. 75-3739 and amendments thereto.

Children’s mental health initiative..... \$1,000,000

Provided, That no expenditures shall be made from the children’s mental health initiative account for inpatient hospital beds for children.

Children’s health insurance..... \$9,364,164

Provided, That any unencumbered balance in the children’s health insurance account in excess of \$100 as of June 30, 2001, is hereby reappropriated for fiscal year 2002: *Provided further*, That any health maintenance organization which contracts with the department of social and rehabilitation services to provide managed care physical health benefits under the HealthWave Program and also contracts with the department of social and rehabilitation services to provide managed care physical

health benefits under the PrimeCare Program may be eligible for enhanced funding under the Title XXI program.

Youth services aid and assistance \$58,603,619

Provided, That any unencumbered balance in the youth services aid and assistance account in excess of \$100 as of June 30, 2001, is hereby reappropriated for fiscal year 2002: *Provided further*, That the consensus estimating group for the department of social and rehabilitation services shall include foster care and adoption services in caseload estimates: *And provided further*, That expenditures shall be made from the youth services aid and assistance account in the amount of \$90,000 from the community funding program subaccount for a pilot project for 100 child welfare mediation cases in Wichita pursuant to a contract, which is hereby authorized and directed to be entered into by the secretary of social and rehabilitation services with a private contractor which shall provide \$30,000 of foundation funding for such project.

Vocational rehabilitation aid and assistance \$3,440,562

Provided, That any unencumbered balance in the vocational rehabilitation aid and assistance account in excess of \$100 as of June 30, 2001, is hereby reappropriated for fiscal year 2002: *Provided further*, That expenditures may be made from this account for the acquisition of durable medical equipment and assistive technology devices: *Provided, however*, That all such expenditures for durable equipment or assistive technology devices shall require a \$1 for \$1 match from non-state sources: *And provided further*, That expenditures may be made from this account by the secretary of social and rehabilitation services for the purchase of worker's compensation insurance for consumers of vocational rehabilitation services and assessments at work site and job tryout sites throughout the state.

Cash assistance \$51,621,778

Provided, That any unencumbered balance in the cash assistance account in excess of \$100 as of June 30, 2001, is hereby reappropriated for fiscal year 2002.

Community based services..... \$36,834,437

Provided, That any unencumbered balance in the community based services account in excess of \$100 as of June 30, 2001, is hereby reappropriated for fiscal year 2002.

Other medical assistance \$238,878,004

Provided, That any unencumbered balance in the other medical assistance account in excess of \$100 as of June 30, 2001, is hereby reappropriated for fiscal year 2002.

Sex predator program \$1,301,352

Provided, That any unencumbered balance in the sex predator program account in excess of \$100 as of June 30, 2001, is hereby reappropriated for fiscal year 2002.

(b) There is appropriated for the above agency from the following special revenue fund or funds for the fiscal year ending June 30, 2002, all moneys now or hereafter lawfully credited to and available in such fund or funds, except that expenditures shall not exceed the following:

Title XIX fund \$62,391,895

Provided, That all receipts resulting from payments under title XIX of the federal social security act to any of the institutions under mental health and retardation services may be credited to the title XIX fund: *Provided further*, That moneys in the title XIX fund may be used for expenditures for contractual services to provide for collecting additional payments under title XVIII and title XIX of the federal social security act, for expenditures for premiums and surcharges required to be paid for physicians' malpractice insurance, and for transfers to the social welfare fund.

Kansas neurological institute fee fund \$984,781

Kansas neurological institute—

foster grandparents program—federal fund..... No limit

Kansas neurological institute—

patient benefit fund..... No limit

Kansas neurological institute—

work therapy patient benefit fund..... No limit

Larned state hospital fee fund..... \$2,747,653

Larned state hospital— elementary and secondary education fund—federal.....	No limit
Larned state hospital— vocational education fund—federal	No limit
Larned state hospital—ECIA fund—federal.....	No limit
Larned state hospital—canteen fund	No limit
Larned state hospital—patient benefit fund.....	No limit
Larned state hospital—motor pool revolving fund.....	No limit
Osawatomie state hospital fee fund	\$3,245,715

Provided, That all moneys received as fees for the use of video teleconferencing equipment at Osawatomie state hospital shall be deposited to the credit of the video teleconferencing fee account of the Osawatomie state hospital fee fund: *Provided further*, That all moneys credited to the video teleconferencing fee account shall be used solely for the servicing, technical and program support, maintenance and replacement of associated equipment at Osawatomie state hospital: *And provided further*, That any expenditures from the video teleconferencing fee account shall be in addition to any expenditure limitation imposed on the Osawatomie state hospital fee fund for fiscal year 2002.

Osawatomie state hospital—ECIA fund—federal.....	No limit
Osawatomie state hospital—canteen fund	No limit
Osawatomie state hospital—patient benefit fund.....	No limit
Osawatomie state hospital—work therapy patient benefit fund.....	No limit
Osawatomie state hospital—motor pool revolving fund....	No limit
Osawatomie state hospital—training fee revolving fund....	No limit

Provided, That all moneys received as fees for training activities for Osawatomie state hospital shall be deposited to the credit of the Osawatomie state hospital—training fee revolving fund: *Provided further*, That the superintendent of Osawatomie state hospital is hereby authorized to fix, charge and collect fees for training activities at Osawatomie state hospital: *And provided further*, That such fees shall be fixed in order to recover all or part of the expenses of such training activities for Osawatomie state hospital.

Parsons state hospital and training center fee fund.....	\$997,177
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Provided, That all moneys received as fees for the use of video teleconferencing equipment at Parsons state hospital and training center shall be deposited to the credit of the video teleconferencing fee account of the Parsons state hospital and training center fee fund: *Provided further*, That all moneys credited to the video teleconferencing fee account shall be used solely for the servicing, maintenance and replacement of video teleconferencing equipment at Parsons state hospital and training center: *And provided further*, That any expenditures from the video teleconferencing fee account shall be in addition to any expenditure limitation imposed on the Parsons state hospital and training center fee fund for fiscal year 2002.

Parsons state hospital and training center— canteen fund	No limit
Parsons state hospital and training center— patient benefit fund.....	No limit
Parsons state hospital and training center— work therapy patient benefit fund.....	No limit
Rainbow mental health facility fee fund.....	\$761,965
Rainbow mental health facility— elementary and secondary education fund—federal.....	No limit
Rainbow mental health facility—patient benefit fund	No limit
Social services clearing fund.....	No limit

Provided, That the secretary of social and rehabilitation services shall certify to the director of the budget on June 30, 2002, that expenditures from the social services clearing fund for state operations did not exceed \$275,765,005 for fiscal year 2002: *Provided, however*, That expenditures from the social services clearing fund for transfers or state operations for institutions under the control of the department of social and rehabilitation services shall be in addition to any expenditure limitation on the social services clearing fund: *Provided further*, That expenditures may be made from this fund for fiscal year 2002 pursuant to employment incen-

tive programs which the secretary is hereby authorized to develop and enter into with public and private employers to provide an economic incentive to such employers to employ assistance recipients: *And provided further*, That any transfer made from this fund to another state agency pursuant to a contract with that agency shall be in addition to any expenditure limitations imposed on this fund.

Social welfare fund \$50,689,197

Provided, That any transfers of funds between the social welfare fund and state institutions made by the secretary of social and rehabilitation services during fiscal year 2002 shall be in addition to any expenditure limitation imposed on this fund: *Provided further*, That notwithstanding the provisions of K.S.A. 39-7,154 and amendments thereto, the child support collection pass-through payments are hereby eliminated for FY 2002 and no expenditures shall be made from the social welfare fund for payment of any amounts pursuant to K.S.A. 39-7,154 and amendments thereto: *And provided further*, That expenditures shall be made from the social welfare fund to pay for the third day of emergency shelter payments for law enforcement placements during fiscal year 2002.

Other state fees fund No limit

Provided, That expenditures shall be made from the social welfare fund for a grant in the amount of \$15,000 for the fetal alcohol syndrome project pursuant to a grant agreement that shall require a \$1 for \$1 match from the local contractor, that local funds shall be used for prevention services and that the contractor shall also provide all data and information required by the secretary of social and rehabilitation services to determine the effectiveness of the project.

Alcohol and drug abuse block grant federal fund \$11,193,076

Provided, That any transfers of moneys from the alcohol and drug abuse block grant federal fund to any other block grant fund specified in this subsection during fiscal year 2002 shall be in addition to any expenditure limitation imposed on this fund.

Child welfare services block grant federal fund..... \$5,471,777

Mental health block grant federal fund..... \$2,763,991

Social services block grant—federal fund \$23,044,036

Provided, That any transfers of moneys from the social services block grant—federal fund to any other block grant fund specified in this subsection during fiscal year 2002 shall be in addition to any expenditure limitation imposed on this fund.

Child care mandatory federal fund..... No limit

Provided, That any transfers from the child care mandatory federal fund to the department of health and environment during fiscal year 2002 shall be in addition to any expenditure limitation imposed on this fund.

Temporary assistance to needy families federal fund No limit

Child care matching federal fund..... No limit

Child care discretionary federal fund..... No limit

Disability determination services federal fund No limit

Food stamp assistance federal fund..... No limit

Foster care assistance federal fund..... No limit

Medical assistance federal fund No limit

Provided, That the secretary of social and rehabilitation services is hereby authorized and directed to apply for a medicaid waiver from the U.S. department of health and human services for a pilot project for not more than 300 children currently in the third grade who are performing below average in school reading scores to be treated and receive services under an optometric vision therapy program that will be matched with state funding through the department of education provided in the grant to the Kansas optometric association for vision study account of the children's initiatives fund.

Rehabilitation services federal fund..... No limit

Other federal grants and assistance fund..... No limit

SRS enterprise fund No limit

SRS trust fund No limit

Provided, That all contributions from local entities shall be credited to the vocational rehabilitation special revenue account of the SRS trust fund for the purpose of providing the required state match for receipt of fed-

eral vocational rehabilitation funds: *Provided further*, That expenditures may be made from the vocational rehabilitation special revenue account of this fund for local community-based vocational rehabilitation programs.

Child support enforcement administration fund.....	No limit
Energy assistance block grant federal fund.....	No limit
Childrens health insurance federal fund.....	No limit
Family and children trust account—	
family and children investment fund	No limit
Children’s initiatives accountability fund.....	\$0
Kansas insurance coverage for children fund	No limit
State medicaid match fund—SRS	\$12,300,000

(c) During the fiscal year ending June 30, 2002, the secretary of social and rehabilitation services, with the approval of the director of the budget, may transfer any part of any item of appropriation for the fiscal year ending June 30, 2002, from the state general fund for the department of social and rehabilitation services or any institution or facility under the general supervision and management of the secretary of social and rehabilitation services to another item of appropriation for fiscal year 2002 from the state general fund for the department of social and rehabilitation services or any institution or facility under the general supervision and management of the secretary of social and rehabilitation services. The secretary of social and rehabilitation services shall certify each such transfer to the director of accounts and reports and shall transmit a copy of each such certification to the legislative research department.

(d) On July 1, 2001, the superintendent of Osawatomie state hospital, upon the approval of the director of accounts and reports, shall transfer an amount specified by the superintendent from the Osawatomie state hospital—canteen fund to the Osawatomie state hospital—patient benefit fund.

(e) On July 1, 2001, the superintendent of Parsons state hospital and training center, upon the approval of the director of accounts and reports, shall transfer \$11,000 from the Parsons state hospital and training center—canteen fund to the Parsons state hospital and training center—patient benefit fund.

(f) On July 1, 2001, or as soon thereafter as moneys are available, the director of accounts and reports may transfer, in one or more amounts, from the title XIX fund to the social welfare fund the amount specified by the secretary of social and rehabilitation services.

(g) On July 1, 2001, or as soon thereafter as moneys are available, the director of accounts and reports shall transfer \$4,332,070 from the temporary assistance to needy families federal fund to the social services block grant—federal fund.

(h) During the fiscal year ending June 30, 2002, all moneys received by the secretary of social and rehabilitation services, to provide an endowment to provide interest earnings for the purposes for which expenditures may be made from the family and children trust account of the family and children investment fund, shall be deposited in the state treasury to the credit of the family and children endowment account of the family and children investment fund.

(i) During the fiscal year ending June 30, 2002, to the extent it is determined by the secretary of social and rehabilitation services to be cost effective, the secretary of social and rehabilitation services shall apply for and accept donations from private sources to provide an endowment to provide interest earnings for the purposes for which expenditures may be made from the family and children trust account of the family and children investment fund. During the fiscal year ending June 30, 2002, upon receipt of any such donation of moneys from private sources for deposit in the family and children endowment account of the family and children investment fund, the secretary of social and rehabilitation services shall match the amount of each such donation on a \$1 for \$1 basis from moneys appropriated for fiscal year 2002 for the department of social and rehabilitation services in accordance with this subsection. During the fiscal year ending June 30, 2001, and to provide such matching moneys, the secretary of social and rehabilitation services shall transfer amounts from any available moneys appropriated for fiscal year 2002 in one or more accounts of the state general fund or in one or more special revenue funds of the department of social and rehabilitation services, that in the aggre-

gate are equal to the amount of moneys donated, to the family and children endowment account of the family and children investment fund.

~~(j) In addition to the other purposes for which expenditures may be made by the department of social and rehabilitation services from any moneys appropriated from the state general fund or any special revenue fund for the fiscal year 2002, as authorized by this or other appropriation act of the 2001 regular session of the legislature, expenditures shall be made by the department of social and rehabilitation services from any such moneys appropriated for fiscal year 2002 for the receipt, crediting and disbursement of moneys received by the department of social and rehabilitation services for payments of support pursuant to a rule or administrative order issued by the Kansas supreme court, which is hereby authorized to be issued by the Kansas supreme court, directing payments of support, which are made pursuant to any court order entered in this state regardless of the date of the order, to be made to a central unit for the collection and disbursement of support payments, notwithstanding the provisions of any statute to the contrary.~~

~~(j)~~ (j) During the fiscal year ending June 30, 2002, of the amounts budgeted but not expended for the regular medical program from the other medical assistance account of the state general fund, the amounts budgeted but not expended from the mental health and retardation services aid and assistance account of the state general fund, and the amounts budgeted but not expended for the regular medical program from the social welfare fund, an aggregate of \$870,000 from such accounts and such fund shall not be expended for other programs or purposes during fiscal year 2002 and shall be expended by the above agency during fiscal year 2003 for implementation of the medicaid buy-in program for individuals with disabilities.

~~(k)~~ (k) In addition to the other purposes for which expenditures may be made by the department of social and rehabilitation services from moneys appropriated from the state general fund or any special revenue fund for fiscal year 2002 as authorized by this or other appropriation act of the 2001 regular session of the legislature, expenditures shall be made by the department of social and rehabilitation services for fiscal year 2002 from the moneys appropriated from the state general fund or any special revenue fund to provide information about the proposed location of a residential alcohol and substance abuse treatment program that is proposed for the provision of services under contract with the secretary of social and rehabilitation services, to the governing body of the local government in which the residential alcohol and substance abuse treatment program is proposed to be located: *Provided*, That, if the governing body of the local government objects to the proposed location and the governing body actively assists the secretary of social and rehabilitation services in identifying a suitable location for the residential alcohol and substance abuse treatment program within the local government, with consideration of the site selection criteria established for the location of the program and applicable zoning and other land-use restrictions of the local government, then, prior to entering into a contract for services with the specific residential alcohol and substance abuse treatment program, the secretary of social and rehabilitation services shall actively consider the views of the governing body of the local government and the affected residents of the local government and shall act in the best interests of the state with regard to entering into the proposed contract with the residential alcohol and substance abuse treatment program: *Provided, however*, That no such objections by the governing body or the residents of a local government shall prohibit the secretary of social and rehabilitation services from entering into a contract for services with a residential alcohol and substance abuse treatment program to be located within a local government: *Provided further*, That, as used in this subsection, "local government" means any city, county or other taxing subdivision of the state having general governance authority.

Sec. 14. K.S.A. 2000 Supp. 23-4,118 and section 130 of 2001 Senate Bill No. 57 are hereby repealed.

Sec. 15. On and after July 1, 2001, K.S.A. 23-4,136, 38-1121, 38-1123 and 60-2803 and K.S.A. 2000 Supp. 23-497, 23-4,106, 23-4,107, 23-4,108, 60-1610 and 60-2308 are hereby repealed.

Sec. 16. This act shall take effect and be in force from and after its publication in the Kansas register.

I hereby certify that the above BILL originated in the HOUSE, and passed that body

HOUSE adopted
Conference Committee Report _____

Speaker of the House.

Chief Clerk of the House.

Passed the SENATE
as amended _____

SENATE adopted
Conference Committee Report _____

President of the Senate.

Secretary of the Senate.

APPROVED _____

Governor.