


**THE INCOME WITHHOLDING ORDERS
ISSUED BY THE COLORADO DIVISION
OF CHILD SUPPORT ENFORCEMENT ARE
BEING **ENHANCED****

-  **SIMPLE**
-  **BETTER**
-  **INVISIBLE**



WHAT'S THE ENHANCEMENT?

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- ❖ The Colorado Division of Child Support Enforcement will begin issuing income withholding orders that:
 - ❖ Display an amount in the “other” field.
 - ❖ Include this amount in the automatic calculation that populates the “Weekly” and “Biweekly” fields.
- ❖ All new or amended income withholding orders will display this new information.
- ❖ Older, or existing income withholding orders will gradually display this information over time.
- ❖ This only has relevance for employers with a **weekly** and/or **bi-weekly** payroll.



WILL IT BE OBVIOUS?



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ORDER INFORMATION: This document is based on the support or withholding order from _____ (State/Tribe).

You are required by law to deduct these amounts from the employee/obligor's income until further notice.

\$ _____ Per _____ current child support

\$ _____ Per _____ past-due child support - Arrears greater than 12 weeks? Yes No

\$ _____ Per _____ current cash medical support

\$ _____ Per _____ past-due cash medical support

\$ _____ Per _____ current spousal support

\$ _____ Per _____ past-due spousal support

\$ _____ Per _____ other (must specify) _____

for a Total Amount to Withhold of \$ _____ per _____



- ❖ The only obvious change will be the addition of an “other” amount with an accompanying explanation.

WHERE DOES THE AMOUNT COME FROM?

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- ❖ A simple mathematical formula.
- ❖ Example:
 - ❖ $\$200$ (monthly payment due) $\div 2 = \$100 \times 26$ weeks = $\$2,600 \div 12$ months = $\$216.67 - \200 (monthly payment due) = **$\$16.67$** (the additional amount).
 - ❖ $\$200$ (monthly payment due) $\div 4 = \$50 \times 52$ weeks = $\$2,600 \div 12$ months = $\$216.67 - \200 (monthly payment due) = **$\$16.67$** (the additional amount).
- ❖ In this example, **$\$16.67$** is the amount that will appear in the “other” field on the income withholding order and is the amount that will be included in the automatic calculation for the “Weekly” and “Biweekly” fields.



WHAT DOES AN EMPLOYER DO?

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- ❖ **The same as always.**
- ❖ There isn't anything different required - The "Weekly" and "Biweekly" amounts on the income withholding order will automatically include the new, "other" amount.
- ❖ The employer simply notes the amount displayed in the "Weekly" or "Biweekly" fields, as always, and enters the appropriate amount into the payroll system.
- ❖ The withheld amount will equal the full monthly support amount.



WHAT ABOUT THE EXTRA PAYMENT?

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- ❖ Just as occurs now, there will be an extra amount paid during the months where there are more than 2 or 4 pay periods (at least twice a year).
- ❖ Just as occurs now, if there is an overpayment, and there is no arrears balance, it will be promptly refunded.
- ❖ Just as occurs now, if there is an overpayment, and there is an arrears balance, it will be applied to the arrears balance.



WHAT ABOUT PRIORITY?



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- ❖ **14-14-111.5(6), C.R.S.** provides the priority scheme for prorating payments in multiple order situations where there is not enough disposable income to cover the full support amount.
- ❖ The “other” amount’s role is to ensure that the full support amount is paid, so the “other” amount should be treated as an extension of the current support amount (or of the arrears payment if the case is arrears only) and included in the respective priorities.

WHY?



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- ❖ **LEGAL REQUIREMENTS**
- ❖ **BENEFITS TO FAMILIES**
- ❖ **BENEFITS TO EMPLOYERS**

LEGAL

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❖ 42 USC 666(b)(1):

- ❖ “...so much of such parent’s income must be withheld, in accordance with the succeeding provisions of this subsection, **as is necessary to comply with the order ...**”
- ❖ The amount withheld by the employer must be an amount that will result in compliance with the order.
- ❖ This does not currently happen with employers who have a weekly or bi-weekly payroll.

LEGAL

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- ❖ **45 CFR 303.100(e)(ix):**
 - ❖ “...the employer *must withhold* from the noncustodial parent's income *the amount specified in the notice* and pay such amount to the State disbursement unit...”
- ❖ The full amount specified on the notice is what the employer is required to withhold and remit.
- ❖ This does not currently happen with employers who have a weekly or bi-weekly payroll.



LEGAL

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❖ 14-14-111.5(4)(C)(I), C.R.S.:

- ❖ “...In the event that the pay periods of the employer are more frequent, the employer ***shall withhold per pay period an appropriate percentage*** of the monthly amount due so that the total withheld during the month will total the monthly amount due.”
- ❖ The employer must withhold a percentage of the monthly amount due, so that the full, monthly amount due is withheld during the month.
- ❖ This does not currently happen with employers who have a weekly or bi-weekly payroll.



FAMILY BENEFITS



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- ❖ Families receive the full ordered amount to which they are entitled.
 - ❖ Even if the employee subsequently leaves the employer after a few months employment.
 - ❖ Families do not need to wait to “catch-up” periodically through out the year.
- ❖ The employee does not carry a delinquency amount for the majority of the year.
- ❖ The associated negative stress for both of the parents and the children, is reduced.



EMPLOYER BENEFITS



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- ❖ Full compliance with the law.
- ❖ Less complaints from the employee
- ❖ Less complaints from the other parent.
- ❖ The employee does not carry a delinquency amount for the majority of the year.
- ❖ The employee does not experience some of the automated enforcement actions which can interfere with job performance.

WHEN and HOW?

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- ❖ This change is scheduled to be effective in late August/early September of 2013.
- ❖ Income withholding orders, either new or amended, issued by the Colorado Division of Child Support Enforcement starting in early September of 2013 will display the new “other” amount and that amount will be included in the “Weekly” and “Biweekly” fields.
- ❖ Older, existing income withholding orders, will gradually be re-issued over time.
- ❖ Parents will be notified in advance of the change and directed to their case manager or to the Colorado Division of Child Support Enforcement for help with any questions that they may have.



WHAT ABOUT INCOME WITHHOLDING ORDERS NOT ISSUED BY THE COLORADO CHILD SUPPORT DIVISION?

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- ❖ Unfortunately, the Colorado Division of Child Support Enforcement has no authority over income withholding orders issued privately or issued by child support agencies in other states.
- ❖ Privately issued orders and orders issued by child support agencies in other states will most likely continue as is and NOT display the “other” amount.
- ❖ Employers should continue to use the amounts displayed in the “Weekly” and “Biweekly” fields of these income withholding orders, or continue to calculate the amount themselves when these fields are blank.

SUMMARY

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- ❖ **NECESSARY IN ORDER TO COMPLY WITH THE LAW.**
- ❖ **WILL BE VIRTUALLY INVISIBLE.**
- ❖ **BENEFITS EMPLOYERS (only impacts employers with weekly or bi-weekly payroll cycles).**
- ❖ **BENEFITS FAMILIES.**
- ❖ **EVENTUALLY WILL INCLUDE ALL SUPPORT ORDERS ENFORCED BY THE COLORADO DIVISION OF CHILD SUPPORT ENFORCEMENT.**
- ❖ **DOESN'T INCLUDE ORDERS NOT ISSUED BY THE COLORADO CHILD SUPPORT ENFORCEMENT AGENCY.**

WHO TO CONTACT?

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- ❖ **Mike Erickson – Enforcement Policy Specialist, Colorado Division of Child Support Enforcement.**
 - ❖ 303-866-5178 or arnold.erickson@state.co.us
- ❖ **Colorado Family Support Registry, Employer Customer Service Unit.**
 - ❖ 303-297-2849 or cdhs_fsremployerservices@state.co.us
- ❖ Complete employer information may be found on the **Colorado Division of Child Support Enforcement** web site, www.childsupport.state.co.us