



# Legislative Council Staff

## Research Note

Version: Final

Date: 08/31/16

### Bill Number

**House Bill 16-1165**

### Sponsors

***Representatives K. Becker &  
Landgraf,  
Senator Crowder***

### Short Title

***Colorado Child Support  
Commission Statutory Changes***

### Research Analyst

**Anne Wallace (x4364)**

### Status

This research note reflects the final version of the bill. The bill becomes effective July 1, 2017.

### Summary

The bill amends child support guidelines and related statutes based on the findings of the Colorado Child Support Commission (commission). These changes include:

- allowing for the placement of a lien on insurance claims for the purpose of meeting past due child support obligations;
- changing the formula to determine gross income to include child support that is obligated to be paid for another child;
- requiring the annual exchange of information relevant to child support calculations;
- changing the reasonable cost threshold percentage for the enforcement of court-ordered medical support from 20 percent to 5 percent;
- adding instances where one parent spends substantially more time with the child to the list of allowable court deviations from basic child support obligations;
- limiting the period for when a party can seek retroactive child support to five years; and
- adding language providing notice to presumptive fathers.

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## Background

Colorado adopted a Child Support State Guidelines Statute in 1985 to create fair and equitable child support obligations for parents. Pursuant to that legislation, the commission was established by state and federal mandate to review the Colorado Child Support Guidelines at least every four years, and recommend statutory changes to the Governor and General Assembly. The 2013-2015 commission, comprised of 18 child support stakeholders, identified and recommended seven changes to statute that may improve the outcomes for Colorado's minor children.

## House Action

**House Public Health Care and Human Services (February 23, 2016).** At the hearing, a representative from the Colorado Department of Human Services (CDHS) testified in support of the bill. Representatives from the Colorado Child Support Commission, the Child Support Lien Network, and the Life Insurance Association testified in a neutral capacity. The committee passed amendments L.001, L.003, and L.004 and referred the bill to the House Committee of the Whole, as amended.

Amendment L.001 clarified that a claim for personal injury must be under a policy for liability. Amendment L.003 defined an insurance claim payment as an amount greater than \$1,000 and added additional stipulations regarding the collection of insurance claim payments. Amendment L.004 removed proceeds of a life insurance or annuity contract from the list of valid claims for payment.

**House second reading (March 3, 2016).** The House adopted the House Public Health Care and Human Services committee report and Amendments No. 2 and No. 3, and passed the bill on second reading, as amended. Amendment No. 2 adjusted how time a parent spends with a child is calculated. Amendment No. 3 clarified the information that is required to be exchanged by the two parties when a child support order is entered or modified.

**House third reading (March 4, 2016).** The House passed the bill on third reading with no amendments.

## Senate Action

**Senate Health and Human Services Committee (March 16, 2016).** At the hearing, representatives from the Colorado Child Support Commission and CDHS testified in support of the bill. The committee referred the bill to the Senate Committee of the Whole with no amendments.

**Senate second reading (March 21, 2016).** The Senate adopted Amendment No. 1 and passed the bill on second reading, as amended. The amendment made participation by insurance companies in the child support lien network insurance data match voluntary.

**Senate third reading (March 22, 2016).** The Senate passed the bill on third reading with no amendments.

## Conference Committee

**First conference committee (April 14, 2016).** The House did not concur in the amendment made by the Senate, and a conference committee was formed. A conference committee report was adopted to amend the rerevised bill to require that the CDHS submit a report, on or before January 30, 2018, to the legislature concerning voluntary participation by insurance companies in the child support lien network insurance data match.

**Senate action (April 15, 2016).** The Senate adopted the first report of the first conference committee and repassed the bill.

**House action (April 18, 2016).** The House adopted the first report of the first conference committee and repassed the bill.

## Relevant Research

*State of Colorado Child Support Commission Final Report*, July 2015. <http://bit.ly/2afnRr5>.