



JESSIE RODRIGUEZ

STATE REPRESENTATIVE ★ 21ST ASSEMBLY DISTRICT

AB 633: Required Annual Exchange of Financial Information in an Order for Family Support, Child Support, or Maintenance

Testimony of State Representative Jessie Rodriguez

Assembly Committee on Family Law

December 1, 2021

Thank you Chairwoman Magnafici, Ranking Member Doyle, and members of the Assembly Committee on Family Law for the opportunity to testify on Assembly Bill 633 (AB 633), legislation that seeks to clarify the process for the annual exchange of financial information that takes place in orders for family support, child support, or maintenance (formerly known as alimony).

After a divorce is final, current law requires the parties to exchange financial information on an annual basis where there is either a child support or family support order in effect. However, there is no language in statute that specifies what specific financial information is to be exchanged.

AB 633 would clarify which financial documents are to be exchanged, including state and federal tax forms and other documentation of income, and require that these documents be exchanged by May 1st of each calendar year. Additionally, the bill outlines information that may be redacted, either for privacy or safety reasons. Lastly, this bill would extend the requirement that the exchange of financial information take place to those paying or receiving maintenance, which is not currently required.

These changes to current law will have a positive impact on the family court system. Clarifying what *financial information* needs to be exchanged and when the documentation is due will reduce litigation, provide parity among parties, and help determine accurate amounts for child support, family support, or maintenance.

I encourage your support for this legislation. Thank you for your time. I welcome any questions you may have.



JOAN BALLWEG

STATE SENATOR · 14TH SENATE DISTRICT

Assembly Bill 633: The Required Annual Exchange of Financial Information in an Order for
Family Support, Child Support, or Maintenance
Testimony of State Senator Joan Ballweg
Assembly Committee on Family Law
December 1, 2021

Thank you, Chair Magnafici, and members of the committee for holding this public hearing.

When establishing child, family support or maintenance following a divorce, the court requires the exchange of financial information on an annual basis to accurately determine payment amounts.

This legislation clarifies that documents, including state and federal tax forms, year-end paycheck stubs from all sources of employment and any other documentation outlining sources of income should be shared by May 1st of each calendar year.

Additionally, this legislation extends the requirement of exchanging financial information to both parties, those paying and receiving payment, which is not currently specified in statute.

Divorces can be messy and there are many reasons parties may be hesitant to provide personally identifying information. This bill also gives parties the authority to redact or remove certain information for privacy or safety reasons.

This legislation was drafted at the request of the State Bar of Wisconsin Family Law Board.

Thank you for your consideration of this legislation, and I am happy to answer any questions.

FAMILY LAW SECTION

To: Members, Assembly Family Law Committee
From: Family Law Section, State Bar of Wisconsin
Date: December 1, 2021
Re: Support for AB 633 – annual exchange of financial information

The State Bar of Wisconsin's Family Law Section Board requests your support for AB 633, clarifying a statute requiring parties to annually exchange financial information for the purpose of determining accurate child support, family support, or maintenance.

After a divorce is final, current law requires the parties to exchange financial information on an annual basis where there is either a child support or family support (a hybrid of child support and maintenance/alimony) order in effect. However, with only an existing reference to confidentiality, there is no language in the statute that specifies what specific financial information is to be exchanged. Further, there is also no timeline specified in the statute as to when the financial information is to be exchanged.

AB 633 would not only clarify which financial documents are to be exchanged, including tax returns and other documentation of income, but also require all documents be exchanged no later than May 1st of each calendar year. The proposal also outlines information that is allowed to be redacted, either for privacy or safety reasons. In addition, this proposal would require those paying or receiving maintenance to exchange financial information as well, which is not currently required.

These changes would have a positive impact on actions affecting the family. The ambiguity of the current statute breeds litigation, with one party forced to return to the court when the other party has either not provided their financial information at all, or provided an incomplete picture of their financial information.

By not specifying what financial documents are to be exchanged, parties are often forced to engage in costly and timely formal legal discovery to obtain the information they may need for purposes of assessing if a substantial change in financial circumstances has occurred. Further, parties are forced to file a motion with the court to either seek a modification of support or motion to compel for contempt for non-compliance of furnishing the information. The purpose of AB 633 is to relieve the parties and courts of unnecessary extra litigation.

Clarifying what financial information needs to be exchanged and when will reduce litigation, will provide parity among parties, and help in determining accurate amounts for child support, family support or maintenance. For these reasons, the State Bar's Family Law section board seeks your support of AB 633.

For more information, please do not hesitate to contact our Government Relations Coordinator, Lynne Davis, ldavis@wisbar.org or 608.852.3603.

The State Bar of Wisconsin establishes and maintains sections for carrying on the work of the association, each within its proper field of study defined in its bylaws. Each section consists of members who voluntarily enroll in the section because of a special interest in the particular field of law to which the section is dedicated. Section positions are taken on behalf of the section only.

The views expressed on this issue have not been approved by the Board of Governors of the State Bar of Wisconsin and are not the views of the State Bar as a whole. These views are those of the Section alone.



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