

- 1) When an obligor owes support to multiple families under separate court orders, and the amount of arrears to each family is sufficient to trigger the lien threshold, is the obligor listed one time in the lien docket for the cumulative total of arrears, or once per court order?

A participant lien is the total of all court case lien amounts from the NCP's court cases that individually meet or exceed Wisconsin's \$500 threshold. A payer may have only one effective lien on the lien docket at any given time. Amounts are added to or subtracted from the total lien as arrears increase or decrease, additional court cases reach the lien threshold, or arrears are paid.

- 2) If an obligor who is current in his or her payments takes out a mortgage on real property, and later falls into arrears and is listed on the lien docket, does CSE prepare a subordination agreement or some other document confirming its secondary status to the mortgage?

An administrative lien has priority over all other liens on property except tax and special assessment liens, purchase money mortgages, construction liens, liens that are filed or recorded before the administrative lien becomes effective, environmental liens and any other lien given priority under the law. Subordinating a lien is only done on a case-by-case basis. In most instances, a lien subordination request will occur when the payer is subject to a child support lien and attempts to refinance an existing mortgage for a specific property. Many lenders will not approve refinancing of the property without an agreement from the child support agency (CSA) to subordinate the lien to the new mortgage. In making the determination to subordinate, the CSA should consider whether refinancing the mortgage will put the payer in a better financial position to pay his/her child support. The CSA may also negotiate a payment towards the child support arrearage from any cash proceeds from the refinancing.

- 3) In December 2008, an obligor is listed on the lien docket for \$1,500 and owns property that is otherwise free of any security interest or other encumbrances. Because the obligor's equity in the property exceeds \$1500, a bank loans money to the obligor using the remaining equity in the property as collateral. Six months later, the arrears balance has now grown to \$7,500. Does the lien docket show \$7,500? The lien docket shows \$7,500. The lien amount is re-calculated each time the Lien Docket Detail screen is displayed on the Lien Docket website. Users obtain the lien amount in "real time." Is child support primary for just \$1,500, or \$7,500? Child support is primary for \$7,500. If ever there was a question regarding which debt had priority, is there an ability to produce documents showing the aging of the arrears and how the age of arrears may impact the priority of other liens? A child support administrative lien's priority is established based on the filing date of the lien. Any lien that was filed or recorded before the child support lien becomes effective has priority over the child support lien, as do those types of liens that are listed in the response to Question 2 above. The effective date/filing date is the date that a participant lien is first recorded on the docket. According to WI Administrative Rule DCF 152.06(6), the filing date does not change if the lien amount is adjusted up or down within the five-year period after the participant lien is first docketed.