By: Dutton

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A BILL TO BE ENTITLED 1 AN ACT 2 relating to court-ordered financial support by parents of an adult with a medically determinable disability. 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 4 5 SECTION 1. The legislature finds that: 6 (1) the office of the attorney general, the designated Title IV-D agency, and all courts in this state must comply with the 7 regulations in the federal Social Security Act (42 U.S.C. Section 8 9 301 et seq.) when establishing, modifying, and enforcing financial support for an adult with a medically determinable disability after 10 11 attaining 18 years of age; 12 (2) the Social Security Act has a specific definition 13 for the term "disability"; 14 (3) the attorney general has determined in Tex. Att'y Gen. Op. No. GA-0868 (2011) that Section 1-b, Article VIII, Texas 15 Constitution, uses the definition of the term "disability" in the 16 Social Security Act for adults seeking tax benefits on real 17 18 property; (4) there is confusion among state courts regarding 19 20 the meaning and application of Subchapter F, Chapter 154, Family 21 Code; and 22 (5) clarification, guidance, and consistency are 23 required to ensure compliance with the Social Security Act, the Texas Constitution, and the intent of the legislature. 24

SECTION 2. The heading to Chapter 154, Family Code, is 1 2 amended to read as follows: CHAPTER 154. CHILD SUPPORT AND SUPPORT OF CERTAIN ADULTS WITH 3 4 DISABILITY 5 SECTION 3. The heading to Subchapter A, Chapter 154, Family Code, is amended to read as follows: 6 SUBCHAPTER A. COURT-ORDERED FINANCIAL [CHILD] SUPPORT OF CHILD OR 7 8 ADULT WITH MEDICALLY DETERMINABLE DISABILITY 9 SECTION 4. The heading to Section 154.001, Family Code, is amended to read as follows: 10 Sec. 154.001. FINANCIAL SUPPORT OF CHILD OR ADULT WITH 11 12 MEDICALLY DETERMINABLE DISABILITY. SECTION 5. Sections 154.001(a) and (a-1), Family Code, are 13 14 amended to read as follows: 15 (a) The court may order either or both parents to support a 16 child in the manner specified by the order: 17 (1) until the child is 18 years of age or until graduation from high school, whichever occurs later; 18 until the child is emancipated through marriage, 19 (2) through removal of the disabilities of minority by court order, or 20 by other operation of law; 21 (3) until the death of the child; or 22 as provided by Subchapter F, for a child who is an 23 (4) 24 adult with a medically determinable disability [if the child is disabled as defined in this chapter, for an indefinite period]. 25 (a-1) The court may order each person who is financially 26 able and whose parental rights have been terminated with respect to 27

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1 either a child in substitute care for whom the department has been
2 appointed managing conservator or a child who was conceived as a
3 direct result of conduct that constitutes an offense under Section
4 21.02, 22.011, 22.021, or 25.02, Penal Code, to support the child in
5 the manner specified by the order:
6 (1) until the earliest of:

8 (B) the child's 18th birthday or graduation from9 high school, whichever occurs later;

the child's adoption;

10 (C) removal of the child's disabilities of 11 minority by court order, marriage, or other operation of law; or

12 (D) the child's death; or

(A)

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13 (2) <u>as provided by Subchapter F, for a child who is an</u>
14 <u>adult with a medically determinable disability</u> [<del>if the child is</del>
15 <u>disabled as defined in this chapter, for an indefinite period</u>].

16 SECTION 6. (a) Section 154.015(c), Family Code, as 17 effective until September 1, 2018, is amended to read as follows:

18 (c) For purposes of this section, the court of continuing 19 jurisdiction shall determine the amount of the unpaid child support 20 obligation for each child of the deceased obligor. In determining 21 the amount of the unpaid child support obligation, the court shall 22 consider all relevant factors, including:

(1) the present value of the total amount of monthly periodic child support payments that would become due between the month in which the obligor dies and the month in which the child turns 18 years of age, based on the amount of the periodic monthly child support payments under the child support order in effect on

1 the date of the obligor's death;

2 (2) the present value of the total amount of health 3 insurance premiums payable for the benefit of the child from the 4 month in which the obligor dies until the month in which the child 5 turns 18 years of age, based on the cost of health insurance for the 6 child ordered to be paid on the date of the obligor's death;

7 (3) in the case of [a disabled child under 18 years of
8 age or] an adult with a medically determinable disability
9 [disabled child], an amount to be determined by the court under
10 Section 154.306;

(4) the nature and amount of any benefit to which the child would be entitled as a result of the obligor's death, including life insurance proceeds, annuity payments, trust distributions, social security death benefits, and retirement survivor benefits; and

16 (5) any other financial resource available for the 17 support of the child.

18 (b) Section 154.015(c), Family Code, as effective on
19 September 1, 2018, is amended to read as follows:

(c) For purposes of this section, the court of continuing jurisdiction shall determine the amount of the unpaid child support obligation for each child of the deceased obligor. In determining the amount of the unpaid child support obligation, the court shall consider all relevant factors, including:

(1) the present value of the total amount of monthly periodic child support payments that would become due between the month in which the obligor dies and the month in which the child

1 turns 18 years of age, based on the amount of the periodic monthly
2 child support payments under the child support order in effect on
3 the date of the obligor's death;

4 (2) the present value of the total amount of health 5 insurance and dental insurance premiums payable for the benefit of 6 the child from the month in which the obligor dies until the month 7 in which the child turns 18 years of age, based on the cost of health 8 insurance and dental insurance for the child ordered to be paid on 9 the date of the obligor's death;

10 (3) in the case of [a disabled child under 18 years of 11 age or] an adult with a medically determinable disability 12 [disabled child], an amount to be determined by the court under 13 Section 154.306;

14 (4) the nature and amount of any benefit to which the 15 child would be entitled as a result of the obligor's death, 16 including life insurance proceeds, annuity payments, trust 17 distributions, social security death benefits, and retirement 18 survivor benefits; and

19 (5) any other financial resource available for the20 support of the child.

21 SECTION 7. (a) Section 154.016(b), Family Code, as 22 effective until September 1, 2018, is amended to read as follows:

(b) In determining the nature and extent of the obligation to provide for the support of the child in the event of the death of the obligor, the court shall consider all relevant factors, including:

27 (1) the present value of the total amount of monthly

1 periodic child support payments from the date the child support 2 order is rendered until the month in which the child turns 18 years 3 of age, based on the amount of the periodic monthly child support 4 payment under the child support order;

5 (2) the present value of the total amount of health 6 insurance premiums payable for the benefit of the child from the 7 date the child support order is rendered until the month in which 8 the child turns 18 years of age, based on the cost of health 9 insurance for the child ordered to be paid; and

10 (3) in the case of [a disabled child under 18 years of 11 age or] an adult with a medically determinable disability 12 [disabled child], an amount to be determined by the court under 13 Section 154.306.

14 (b) Section 154.016(b), Family Code, as effective on15 September 1, 2018, is amended to read as follows:

16 (b) In determining the nature and extent of the obligation 17 to provide for the support of the child in the event of the death of 18 the obligor, the court shall consider all relevant factors, 19 including:

(1) the present value of the total amount of monthly periodic child support payments from the date the child support order is rendered until the month in which the child turns 18 years of age, based on the amount of the periodic monthly child support payment under the child support order;

(2) the present value of the total amount of health
insurance and dental insurance premiums payable for the benefit of
the child from the date the child support order is rendered until

1 the month in which the child turns 18 years of age, based on the cost 2 of health insurance and dental insurance for the child ordered to be 3 paid; and

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4 (3) in the case of [a disabled child under 18 years of
5 age or] an adult with a medically determinable disability
6 [disabled child], an amount to be determined by the court under
7 Section 154.306.

8 SECTION 8. The heading of Subchapter F, Chapter 154, Family 9 Code, is amended to read as follows:

10 SUBCHAPTER F. <u>FINANCIAL</u> SUPPORT FOR [A MINOR OR] ADULT <u>WITH</u>

MEDICALLY DETERMINABLE DISABILITY [<del>DISABLED CHILD</del>]

SECTION 9. Subchapter F, Chapter 154, Family Code, is
amended by adding Section 154.3001 to read as follows:

14 <u>Sec. 154.3001. POLICY STATEMENT. It is the policy of this</u> 15 <u>state that any financial support awarded to an adult with a</u> 16 <u>medically determinable disability must comply with the federal</u> 17 <u>Social Security Act (42 U.S.C. Section 301 et seq.), the Texas</u> 18 <u>Constitution, and the laws of this state.</u>

SECTION 10. Section 154.301, Family Code, is amended to read as follows:

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Sec. 154.301. DEFINITIONS. In this subchapter:

(1) "Adult [child]" means <u>an individual</u> [a child] 18
years of age or older.

(2) <u>"Disability" means:</u>
 (A) the inability to engage in any substantial
 gainful activity by reason of any medically determinable physical
 or mental impairment that can be expected to result in death or that

1 has lasted or can be expected to last for a continuous period of not 2 less than 12 months; and 3 (B) the impairment described by Paragraph (A) is 4 of such severity that the adult: 5 (i) is unable to do work previously performed by the adult; and 6 7 (ii) considering the adult's age, education, and work experience, is unable to engage in any other 8 kind of substantial gainful work that exists in the national 9 10 economy. (3) "Guardian" means a person appointed by a court in 11 12 accordance with Chapter 1101, Estates Code. (4) "Personal supervision" means guidance and 13 14 instruction by someone who is physically present and in such proximity that visual contact can be maintained and immediate 15 16 assistance given when required. 17 (5) "Physical custody" means actual possession and control by a person of another person, including continuously 18 19 living in the same household and providing continuous and direct care ["Child" means a son or daughter of any age]. 20 21 SECTION 11. Section 154.302, Family Code, is amended to read as follows: 22 Sec. 154.302. COURT-ORDERED FINANCIAL SUPPORT FOR ADULT 23 24 WITH MEDICALLY DETERMINABLE DISABILITY [DISABLED CHILD]. (a) The court may order either or both parents of an adult to provide for 25 26 the financial support of the adult [a child] for a [an indefinite] period of one year and may determine the rights and duties of the 27

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1 parents if the court <u>identifies competent evidence in the record</u>
2 <u>and finds that:</u>

3 (1) the <u>adult</u> [child], whether institutionalized or 4 not, <u>has a disability and</u> requires <u>continuous</u>, substantial care and 5 <u>continuous</u>, personal supervision <u>by a person who has physical</u> 6 <u>custody</u> [because of a mental or physical disability and will not be 7 <u>capable of self-support</u>]; and

8 (2) the disability <u>existed</u> [<del>exists, or the cause of</del> 9 <del>the disability is known to exist,</del>] on or before the <u>adult's</u> 18th 10 birthday [<del>of the child</del>].

(b) Except as otherwise provided by this subsection, a [A] 11 12 court that orders financial support under this section shall designate the adult to receive the support directly. On 13 14 presentation of competent evidence that the adult cannot manage the 15 financial support, the court may designate a [parent of the child or another] person, including a parent having physical custody of the 16 17 adult or a guardian, [guardianship of the child under a court order] to receive the financial support [for the child. The court may 18 designate a child who is 18 years of age or older to receive the 19 support directly]. 20

(c) Not later than the 60th day after the date of the expiration of an order establishing financial support for an adult with a medically determinable disability, a person may file a motion for the annual review of the financial support for the adult to determine if the facts and circumstances have changed since the order was rendered to warrant continuation or termination of the financial support ordered under this section.

H.B. No. 2636 1 (d) Before ordering the initial financial support or any 2 future support, the court must issue findings specifically identifying competent evidence in the record establishing: 3 (1) the existence of the adult's disability; 4 5 (2) the severity of the adult's impairment; (3) that the adult requires continuous, substantial 6 7 care and continuous, personal supervision by a person, including a parent or a guardian, who has physical custody; and 8 (4) that the disability existed on or before the 9 10 adult's 18th birthday. (e) The findings required under Subsection (d) are in 11 12 addition to any request for findings of fact and conclusions of law timely requested under Rules 296 and 297, Texas Rules of Civil 13 Procedure. If a court fails to file the findings under Subsection 14 (d), an order requiring the payment of financial support is 15 unenforceable. 16 17 (f) An appeal of a final judgment ordering financial support may be stayed if competent evidence is presented that the 18 requirements under this section were not satisfied. An appeal of 19 the final judgment is an accelerated appeal and must be decided no 20 later than the 180th day after the date a notice of appeal is filed. 21 SECTION 12. Section 154.303, Family Code, is amended to 22 23 read as follows: 24 Sec. 154.303. STANDING TO SUE. (a) A suit provided by this subchapter may be filed only by: 25 26 (1) a parent of the adult who has physical custody of the adult, a guardian, [child] or another person having physical 27

custody [or quardianship of the child under a court order]; or 1 2 (2) the <u>adult</u>, [child] if the <u>adult</u> [child]: [is 18 years of age or older; 3 (A) 4 [(B)] does not have an intellectual [a mental] disability; and 5 6 (B) [(C)] is determined by the court to be capable of managing the adult's [child's] financial affairs. 7 8 (b) The person under Subsection (a) who filed the suit [parent, the child, if the child is 18 years of age or older, or 9 10 other person] may not transfer or assign the cause of action to any person, including a governmental or private entity [or agency], 11 except for an assignment made to the Title IV-D agency under Section 12 231.104 or in the provision of <u>financial</u> [child] 13 support 14 enforcement services under Section 159.307. 15 SECTION 13. Section 154.305, Family Code, is amended to read as follows: 16 SPECIFIC PROCEDURES. (a) A suit under this 17 Sec. 154.305. subchapter may be filed: 18 regardless of the age of the <u>adult</u> [child]; and 19 (1) 20 as an independent cause of action or joined with (2) any other claim or remedy provided by this code. 21 (a-1) The person filing the suit must prove by a 22 preponderance of the evidence that all the requirements under 23 Section 154.302 have been met. If competent evidence is not 24 provided satisfying each of the requirements under Section 154.302, 25 26 the court shall dismiss the suit. If no court has continuing, exclusive jurisdiction of 27 (b)

1 the <u>adult</u> [<del>child</del>], an action under this subchapter may be filed as</del> 2 an original suit <u>by filing a petition to determine the eligibility</u> 3 <u>for financial support for an adult</u> [<del>affecting the parent-child</del> 4 <del>relationship</del>].

5 (c) If there is a court of continuing, exclusive 6 jurisdiction, an action under this subchapter may be filed as a suit 7 for modification as provided by Chapter 156 <u>by filing a petition to</u> 8 determine the eligibility for financial support for an adult.

9 SECTION 14. Section 154.306, Family Code, is amended to 10 read as follows:

Sec. 154.306. AMOUNT OF FINANCIAL SUPPORT FOR ADULT WITH 11 12 MEDICALLY DETERMINABLE DISABILITY [AFTER AGE 18]. (a) In calculating [determining] the amount of financial support to be 13 paid to an adult by either or both parents after the adult's [a 14 15 child's] 18th birthday, the specific terms and conditions of that financial support, and the rights and duties of both parents with 16 17 respect to the financial support of the adult [child], the court shall consider only [determine and give special consideration to]: 18

(1) <u>the medical documentation and testimony in the</u> <u>record supporting</u> any existing or future needs of the adult [<del>child</del>] directly related to the <u>adult's intellectual</u> [<del>adult child's mental</del>] or physical disability and the <u>continuous</u>, substantial care and <u>continuous</u>, personal supervision directly required by or related to that disability;

(2) whether the <u>person who has physical custody</u>,
including a parent <u>or guardian</u>, <u>directly</u> pays for or will pay for
the <u>continuous</u>, <u>substantial</u> care <u>and continuous</u>, <u>personal</u> [<del>or</del>]

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1 supervision of the adult [child or provides or will provide
2 substantial care or personal supervision of the adult child];

3 (3) the financial resources available to both parents
4 for the support, <u>continuous</u>, <u>substantial</u> care, and <u>continuous</u>,
5 <u>personal</u> supervision of the adult [<del>child</del>]; and

6 (4) <u>the adult's eligibility for</u> any <u>state or federal</u> 7 <u>program providing services and</u> [<del>other</del>] financial [<del>resources or</del> 8 <del>other resources or programs available for the</del>] support <u>for adults</u> 9 <u>with a medically determinable disability</u> [<del>, care, and supervision</del> 10 <del>of the adult child</del>].

11 (b) An adult who is not eligible for a state or federal 12 program providing services and financial support for adults with a 13 medically determinable disability is not eligible to receive 14 financial support under this section.

15 (c) In calculating the amount of financial support, a court 16 shall offset the amount an adult receives from a state or federal 17 program providing services and financial support for adults with a 18 medically determinable disability. The court may not award more 19 than the amount required to provide for the needs of the adult, as 20 supported by competent evidence.

21 SECTION 15. Section 154.307, Family Code, is amended to 22 read as follows:

Sec. 154.307. MODIFICATION AND ENFORCEMENT. An order provided by this subchapter may contain provisions governing the rights and duties of both parents with respect to the <u>financial</u> support of the <u>adult</u> [<del>child</del>] and may be modified or enforced in the same manner as any other order provided by this title.

SECTION 16. Section 154.308, Family Code, is amended to read as follows:

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3 Sec. 154.308. REMEDY NOT EXCLUSIVE. (a) This subchapter
4 does not affect [a parent's]:

5 (1) <u>a</u> cause of action <u>brought by any person, including</u>
6 <u>a parent or guardian</u>, for the support of <u>an adult with a medically</u>
7 determinable disability [<u>a disabled child</u>] under any other law; or

8 (2) <u>the</u> ability <u>of any person, including a parent or</u> 9 <u>guardian,</u> to contract for the support of <u>an adult with a medically</u> 10 <u>determinable disability [a disabled child</u>].

(b) This subchapter does not affect the substantive or procedural rights or remedies of a person, other than a parent, <u>a</u> <u>guardian</u>, [including] a governmental <u>agency</u>, or <u>a</u> private entity, [or agency,] with respect to the support of <u>an adult with a</u> <u>medically determinable disability</u> [<del>a disabled child</del>] under any other law.

17 SECTION 17. Section 154.309, Family Code, is amended to 18 read as follows:

Sec. 154.309. POSSESSION OF OR ACCESS TO ADULT <u>WITH</u> <u>MEDICALLY DETERMINABLE DISABILITY</u> [<u>DISABLED CHILD</u>]. (a) A court may render an order for the possession of or access to an adult <u>with</u> <u>a medically determinable disability</u> [<u>disabled child</u>] that is appropriate under the circumstances.

(b) Possession of or access to an adult <u>described by</u> Subsection (a) [<del>disabled child</del>] is enforceable in the manner provided by Chapter 157. An adult [<del>disabled child</del>] may refuse possession or access if the adult <u>does not have an intellectual</u>

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disability and [disabled child] is mentally competent.

2 (c) A court that obtains continuing, exclusive jurisdiction 3 of a suit affecting the parent-child relationship involving a minor with a medically determinable disability [disabled person who is a 4 5 child] retains continuing, exclusive jurisdiction of subsequent proceedings involving the person[, including proceedings] after 6 the person is an adult. Notwithstanding this subsection and any 7 8 other law, a probate court may exercise jurisdiction in a guardianship proceeding under Subtitle D, Title 3, Estates Code, 9 10 involving [for] the person after the person is an adult.

SECTION 18. (a) The changes in law made by this Act apply to a suit for the financial support of an adult with a medically determinable disability filed on or after the effective date of this Act. A suit filed before the effective date of this Act is governed by the law in effect on the date the suit was filed, and the former law is continued in effect for that purpose.

(b) The change in law made by this Act does not by itself constitute a material and substantial change of circumstances under Section 156.401, Family Code, sufficient to warrant modification of a court order or a portion of a decree that provides for the financial support of an adult with a medically determinable disability rendered before the effective date of this Act.

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SECTION 19. This Act takes effect September 1, 2017.