2008 SESSION

LEGISLATION NOT PREPARED BY DLS **INTRODUCED**

HOUSE BILL NO. 1325

Offered January 9, 2008

Prefiled January 9, 2008

A BILL to amend and reenact § 20-108.2 of the Code of Virginia, relating to exemptions from minimum child support obligation.

Patron—Toscano

Referred to Committee for Courts of Justice

Be it enacted by the General Assembly of Virginia: 1. That § 20-108.2 of the Code of Virginia is amended and reenacted as follows:

§ 20-108.2. Guideline for determination of child support; quadrennial review by Child Support Guidelines Review Panel; executive summary.

A. There shall be a rebuttable presumption in any judicial or administrative proceeding for child support under this title or Title 16.1 or 63.2, including cases involving split custody or shared custody, that the amount of the award which would result from the application of the guidelines set forth in this section is the correct amount of child support to be awarded. In order to rebut the presumption, the court shall make written findings in the order as set out in § 20-108.1, which findings may be incorporated by reference, that the application of the guidelines would be unjust or inappropriate in a particular case as determined by relevant evidence pertaining to the factors set out in § 20-108.1. The Department of Social Services shall set child support at the amount resulting from computations using the guidelines set out in this section pursuant to the authority granted to it in Chapter 19 (§ 63.2-1900 et seq.) of Title 63.2 and subject to the provisions of § 63.2-1918.

B. For purposes of application of the guideline, a basic child support obligation shall be computed using the schedule set out below. For combined monthly gross income amounts falling between amounts shown in the schedule, basic child support obligation amounts shall be extrapolated. However, unless one of the following exemptions applies where the sole custody child support obligation as computed pursuant to subdivision G 1 is less than \$65 per month, there shall be a presumptive minimum child support obligation of \$65 per month payable by the payor parent. Exemptions from this presumptive minimum monthly child support obligation shall include: parents unable to pay child support because they lack sufficient assets from which to pay child support and who, in addition, are institutionalized in a psychiatric facility; are imprisoned *for life* with no chance of parole; are medically verified to be totally and permanently disabled with no evidence of potential for paying child support, including recipients of Supplemental Security Income (SSI); or are otherwise involuntarily unable to produce income. "Number of children" means the number of children for whom the parents share joint legal responsibility and for whom support is being sought.

SCHEDULE OF MONTHLY BASIC CHILD SUPPORT OBLIGATIONS

COMBINED MONTHLY **GROSS** ONE TWOTHREE FOUR FIVE SIX INCOME CHILD CHILDREN CHILDREN CHILDREN CHILDREN CHILDREN 0-599

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57	1300	241	373	467	526	536	542
58	1350	249	386	483	545	570	576
59	1400	257	398	499	563	605	611
60	1450	265	411	515	581	633	645
61	1500	274	426	533	602	656	680
62	1550	282	436	547	617	672	714
63		289	447				737
	1600			560	632	689	
64	1650	295	458	573	647	705	754
65	1700	302	468	587	662	721	772
66	1750	309	479	600	676	738	789
67	1800	315	488	612	690	752	805
68	1850	321	497	623	702	766	819
69	1900	326	506	634	714	779	834
70	1950	332	514	645	727	793	848
71	2000	338	523	655	739	806	862
72	2050	343	532	666	751	819	877
73	2100	349	540	677	763	833	891
74	2150	355	549	688	776	846	905
75	2200	360	558	699	788	860	920
76	2250	366	567	710	800	873	934
77	2300	371	575	721	812	886	948
78	2350	377		732	825		963
79			584			900	
	2400	383	593	743	837	913	977
80	2450	388	601	754	849	927	991
81	2500	394	610	765	862	940	1006
82	2550	399	619	776	874	954	1020
83	2600	405	627	787	886	967	1034
84	2650	410	635	797	897	979	1048
85	2700	415	643	806	908	991	1060
86	2750	420	651	816	919	1003	1073
87	2800	425	658	826	930	1015	1085
88	2850	430	667	836	941	1027	1098
89	2900	435	675	846	953	1039	1112
90	2950	440	683	856	964	1052	1125
91	3000	445	691	866	975	1064	1138
92	3050	450	699	876	987	1076	1152
93	3100	456	707	886	998	1089	1165
94	3150	461	715	896	1010	1101	1178
9 5							
96	3200	466	723	906	1021	1114	1191
	3250	471	732	917	1032	1126	1205
97	3300	476	740	927	1044	1139	1218
98	3350	481	748	937	1055	1151	1231
99	3400	486	756	947	1067	1164	1245
100	3450	492	764	957	1078	1176	1258
101	3500	497	772	967	1089	1189	1271
102	3550	502	780	977	1101	1201	1285
103	3600	507	788	987	1112	1213	1298
104	3650	512	797	997	1124	1226	1311
105	3700	518	806	1009	1137	1240	1326
106	3750	524	815	1020	1150	1254	1342
107	3800	530	824	1032	1163	1268	1357
108	3850	536	834	1043	1176	1283	1372
109	3900	542	843	1055	1189	1297	1387
110	3950	547	852	1066	1202	1311	1402
111	4000	553	861	1078	1214	1325	1417
111	4000	559	871		1214		
112				1089		1339	1432
113	4100	565	880	1101	1240	1353	1448

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114	4150	571	889	1112	1253	1367	1463
115	4200	577	898	1124	1266	1382	1478
116	4250	583	907	1135	1279	1396	1493
117	4300	589	917	1147	1292	1410	1508
118	4350	594	926	1158	1305	1424	1523
119	4400	600	935	1170	1318	1438	1538
120	4450	606	944	1181	1331	1452	1553
121	4500	612	954	1193	1344	1467	1569
122	4550	618	963	1204	1357	1481	1584
123	4600	624	972	1216	1370	1495	1599
124	4650	630	981	1227	1383	1509	1614
125	4700	635	989	1237	1395	1522	1627
126	4750	641	997	1247	1406	1534	1641
127	4800	646	1005	1257	1417	1546	1654
128	4850	651	1013	1267	1428	1558	1667
129	4900	656	1021	1277	1439	1570	1679
130	4950	661	1028	1286	1450	1582	1692
131	5000	666	1036	1295	1460	1593	1704
132	5050	671	1043	1305	1471	1605	1716
133	5100	675	1051	1314	1481	1616	1728
134	5150	680	1058	1323	1492	1628	1741
135	5200	685	1066	1333	1502	1640	1753
136	5250	690	1073	1342	1513	1651	1765
137	5300	695	1081	1351	1524	1663	1778
138	5350	700	1088	1361	1534	1674	1790
139	5400	705	1096	1370	1545	1686	1802
140	5450	710	1103	1379	1555	1697	1815
141	5500	714	1111	1389	1566	1709	1827
142	5550	719	1118	1398	1576	1720	1839
143	5600	724	1126	1407	1587	1732	1851
144	5650	729	1133	1417	1598	1743	1864
145	5700	734	1141	1426	1608	1755	1876
146	5750	739	1148	1435	1619	1766	1888
147	5800	744	1156	1445	1629	1778	1901
148	5850	749	1163	1454	1640	1790	1913
149	5900	753	1171	1463	1650	1801	1925
150	5950	758	1178	1473	1661	1813	1937
151	6000	763	1186	1482	1672	1824	1950
152	6050	768	1193	1491	1682	1836	1962
153	6100	773	1201	1501	1693	1847	1974
154	6150	778	1208	1510	1703	1859	1987
155	6200	783	1216	1519	1714	1870	1999
156	6250	788	1223	1529	1724	1882	2011
157	6300	792	1231	1538	1735	1893	2023
158	6350	797	1238	1547	1745	1905	2036
159	6400	802	1246	1557	1756	1916	2048
160	6450	807	1253	1566	1767	1928	2060
161	6500	812	1261	1575	1777	1940	2073
162	6550	816	1267	1583	1786	1949	2083
163	6600	820	1272	1590	1794	1957	2092
164	6650	823	1277	1597	1801	1965	2100
165	6700	827	1283	1604	1809	1974	2109
166	6750	830	1288	1610	1817	1982	2118
167	6800	834	1293	1617	1824	1990	2127
168	6850	837	1299	1624	1832	1999	2136
169	6900	841	1304	1631	1839	2007	2145

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170	6950	845	1309	1637	1847	2016	2154
171	7000	848	1315	1644	1855	2024	2163
172	7050	852	1320	1651	1862	2032	2172
173	7100	855	1325	1658	1870	2041	2181
174	7150	859	1331	1665	1878	2049	2190
175	7200	862	1336	1671	1885	2057	2199
176	7250	866	1341	1678	1893	2066	2207
177	7300	870	1347	1685	1900	2074	2216
178	7350	873	1352	1692	1908	2082	2225
179	7400	877	1358	1698	1916	2091	2234
180	7450	880	1363	1705	1923	2099	2243
181	7500	884	1368	1712	1931	2108	2252
182	7550	887	1374	1719	1938	2116	2261
183	7600	891	1379	1725	1946	2124	2270
184	7650	895	1384	1732	1954	2133	2279
185							
186	7700	898	1390	1739	1961	2141	2288
	7750	902	1395	1746	1969	2149	2297
187	7800	905	1400	1753	1977	2158	2305
188	7850	908	1405	1758	1983	2164	2313
189	7900	910	1409	1764	1989	2171	2320
190	7950	913	1414	1770	1995	2178	2328
191	8000	916	1418	1776	2001	2185	2335
192	8050	918	1423	1781	2007	2192	2343
193	8100	921	1428	1787	2014	2198	2350
194	8150	924	1432	1793	2020	2205	2357
195	8200	927	1437	1799	2026	2212	2365
196	8250	929	1441	1804	2032	2219	2372
197	8300	932	1446	1810	2038	2226	2380
198	8350	935	1450	1816	2045	2232	2387
199	8400	937	1455	1822	2051	2239	2395
200	8450	940	1459	1827	2057	2246	2402
201	8500	943	1464	1833	2063	2253	2410
202	8550	945	1468	1839	2069	2260	2417
203	8600	948	1473	1845	2076	2266	2425
204	8650	951	1478	1850	2082	2273	2432
205	8700	954	1482	1856	2088	2280	2440
206	8750	956	1487	1862	2094	2287	2447
207	8800	959	1491	1868	2100	2294	2455
208	8850	962	1496	1873	2107	2300	2462
209	8900	964	1500	1879	2113	2307	2470
210	8950	967	1505	1885	2119	2314	2477
211	9000	970	1509	1891	2125	2321	2484
212	9050	973	1514	1896	2131	2328	2492
213	9100	975	1517	1901	2137	2334	2498
214	9150	977	1521	1905	2141	2339	2503
215	9200	979	1524	1909	2146	2344	2509
216	9250	982	1527	1914	2151	2349	2514
217	9300	984	1531	1918	2156	2354	2520
218	9350	986	1534	1922	2160	2359	2525
219	9400	988	1537	1926	2165	2365	2531
220	9450	990	1541	1930	2170	2370	2536
221	9500	993	1544	1935	2175	2375	2541
222	9550	995	1547	1939	2179	2380	2547
223	9600	997	1551	1943	2184	2385	2552
224	9650	999	1554	1947	2189	2390	2558
225	9700		1557	1951	2194	2396	2563
226	9750		1561	1956	2198	2401	2569
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227	9800	1006	1564	1960	2203	2406	2574
228	9850	1008	1567	1964	2208	2411	2580
229	9900	1010	1571	1968	2213	2416	2585
230	9950	1012	1574	1972	2218	2421	2590
231	10000	1014	1577	1977	2222	2427	2596

For gross monthly income between \$10,000 and \$20,000, add the amount of child support for \$10,000 to the following percentages of gross income above \$10,000:

ONE	TWO	THREE	FOUR	FIVE	SIX
CHILD	CHILDREN	CHILDREN	CHILDREN	CHILDREN	CHILDREN
3.1%	5.1%	6.8%	7.8%	8.8%	9.5%

For gross monthly income between \$20,000 and \$50,000, add the amount of child support for \$20,000 to the following percentages of gross income above \$20,000:

ONE	TWO	THREE	FOUR	FIVE	SIX
CHILD	CHILDREN	CHILDREN	CHILDREN	CHILDREN	CHILDREN
2%	3.5%	5%	6%	6.9%	7.8%

For gross monthly income over \$50,000, add the amount of child support for \$50,000 to the following percentages of gross income above \$50,000:

ONE	TWO	THREE	FOUR	FIVE	SIX
CHILD	CHILDREN	CHILDREN	CHILDREN	CHILDREN	CHILDREN
1%	2%	3%	4%	5%	6%

C. For purposes of this section, "gross income" means all income from all sources, and shall include, but not be limited to, income from salaries, wages, commissions, royalties, bonuses, dividends, severance pay, pensions, interest, trust income, annuities, capital gains, social security benefits except as listed below, workers' compensation benefits, unemployment insurance benefits, disability insurance benefits, veterans' benefits, spousal support, rental income, gifts, prizes or awards.

If a parent's gross income includes disability insurance benefits, it shall also include any amounts paid to or for the child who is the subject of the order and derived by the child from the parent's entitlement to disability insurance benefits. To the extent that such derivative benefits are included in a parent's gross income, that parent shall be entitled to a credit against his or her ongoing basic child support obligation for any such amounts, and, if the amount of the credit exceeds the parent's basic child support obligations, the credit may be used to reduce arrearages.

Gross income shall be subject to deduction of reasonable business expenses for persons with income from self-employment, a partnership, or a closely held business. "Gross income" shall not include:

- 1. Benefits from public assistance and social services programs as defined in § 63.2-100;
- 2. Federal supplemental security income benefits;
- 3. Child support received; or

4. Income received by the payor from secondary employment income not previously included in "gross income," where the payor obtained the income to discharge a child support arrearage established by a court or administrative order and the payor is paying the arrearage pursuant to the order. "Secondary employment income" includes but is not limited to income from an additional job, from self-employment, or from overtime employment. The cessation of such secondary income upon the payment of the arrearage shall not be the basis for a material change in circumstances upon which a modification of child support may be based.

For purposes of this subsection: (i) spousal support received shall be included in gross income and spousal support paid shall be deducted from gross income when paid pursuant to an order or written agreement and (ii) one-half of any self-employment tax paid shall be deducted from gross income.

Where there is an existing court or administrative order or written agreement relating to the child or children of a party to the proceeding, who are not the child or children who are the subject of the present proceeding, then there is a presumption that there shall be deducted from the gross income of the party subject to such order or written agreement, the amount that the party is actually paying for the support of a child or children pursuant to such order or agreement.

Where a party to the proceeding has a natural or adopted child or children in the party's household or primary physical custody, and the child or children are not the subject of the present proceeding, there is a presumption that there shall be deducted from the gross income of that party the amount as shown on the Schedule of Monthly Basic Child Support Obligations contained in subsection B that represents that party's support obligation based solely on that party's income as being the total income available for the natural or adopted child or children in the party's household or primary physical custody, who are not the subject of the present proceeding. Provided, however, that the existence of a party's financial responsibility for such a child or children shall not of itself constitute a material change in circumstances for modifying a previous order of child support in any modification proceeding. Any

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adjustment to gross income under this subsection shall not create or reduce a support obligation to an amount which seriously impairs the custodial parent's ability to maintain minimal adequate housing and provide other basic necessities for the child, as determined by the court.

In cases in which retroactive liability for support is being determined, the court or administrative agency may use the gross monthly income of the parties averaged over the period of retroactivity.

- D. Except for good cause shown or the agreement of the parties, in addition to any other child support obligations established pursuant to this section, any child support order shall provide that the parents pay in proportion to their gross incomes, as used for calculating the monthly support obligation, any reasonable and necessary unreimbursed medical or dental expenses that are in excess of \$250 for any calendar year for each child who is the subject of the obligation. The method of payment of those expenses shall be contained in the support order. Each parent shall pay his respective share of expenses as those expenses are incurred. Any amount paid under this subsection shall not be adjusted by, nor added to, the child support calculated in accordance with subsection G. For the purposes of this section, medical or dental expenses shall include but not be limited to eyeglasses, prescription medication, prosthetics, orthodontics, and mental health or developmental disabilities services, including but not limited to services provided by a social worker, psychologist, psychiatrist, counselor, or therapist.
- E. Any costs for healthcare coverage as defined in § 63.2-1900 and dental care coverage, when actually being paid by a parent, to the extent such costs are directly allocable to the child or children, and which are the extra costs of covering the child or children beyond whatever coverage the parent providing the coverage would otherwise have, shall be added to the basic child support obligation.
- F. Any child-care costs incurred on behalf of the child or children due to employment of the custodial parent shall be added to the basic child support obligation. Child-care costs shall not exceed the amount required to provide quality care from a licensed source. When requested by the noncustodial parent, the court may require the custodial parent to present documentation to verify the costs incurred for child care under this subsection. Where appropriate, the court shall consider the willingness and availability of the noncustodial parent to provide child care personally in determining whether child-care costs are necessary or excessive. Upon the request of either party, and upon a showing of the tax savings a party derives from child-care cost deductions or credits, the court shall factor actual tax consequences into its calculation of the child-care costs to be added to the basic child support obligation.
- G. 1. Sole custody support. The sole custody total monthly child support obligation shall be established by adding (i) the monthly basic child support obligation, as determined from the schedule contained in subsection B, (ii) costs for health care coverage to the extent allowable by subsection E, and (iii) work-related child-care costs and taking into consideration all the factors set forth in subsection B of § 20-108.1. The total monthly child support obligation shall be divided between the parents in the same proportion as their monthly gross incomes bear to their monthly combined gross income. The monthly obligation of each parent shall be computed by multiplying each parent's percentage of the parents' monthly combined gross income by the total monthly child support obligation.

However, the monthly obligation of the noncustodial parent shall be reduced by the cost for health care coverage to the extent allowable by subsection E when paid directly by the noncustodial parent. Unreimbursed medical and dental expenses shall be calculated and allocated in accordance with subsection D

2. Split custody support. In cases involving split custody, the amount of child support to be paid shall be the difference between the amounts owed by each parent as a noncustodial parent, computed in accordance with subdivision 1, with the noncustodial parent owing the larger amount paying the difference to the other parent. Unreimbursed medical and dental expenses shall be calculated and allocated in accordance with subsection D.

For the purpose of this section and § 20-108.1, split custody shall be limited to those situations where each parent has physical custody of a child or children born of the parents, born of either parent and adopted by the other parent or adopted by both parents. For the purposes of calculating a child support obligation where split custody exists, a separate family unit exists for each parent, and child support for that family unit shall be calculated upon the number of children in that family unit who are born of the parents, born of either parent and adopted by the other parent or adopted by both parents. Where split custody exists, a parent is a custodial parent to the children in that parent's family unit and is a noncustodial parent to the children in the other parent's family unit.

3. Shared custody support.

(a) Where a party has custody or visitation of a child or children for more than 90 days of the year, as such days are defined in subdivision G 3 (c), a shared custody child support amount based on the ratio in which the parents share the custody and visitation of any child or children shall be calculated in accordance with this subdivision. The presumptive support to be paid shall be the shared custody support amount, unless a party affirmatively shows that the sole custody support amount calculated as provided in subdivision G 1 is less than the shared custody support amount. If so, the lesser amount shall be the support to be paid. For the purposes of this subsection, the following shall apply:

- (i) Income share. "Income share" means a parent's percentage of the combined monthly gross income of both parents. The income share of a parent is that parent's gross income divided by the combined gross incomes of the parties.
- (ii) Custody share. "Custody share" means the number of days that a parent has physical custody, whether by sole custody, joint legal or joint residential custody, or visitation, of a shared child per year divided by the number of days in the year. The actual or anticipated "custody share" of the parent who has or will have fewer days of physical custody shall be calculated for a one-year period. The "custody share" of the other parent shall be presumed to be the number of days in the year less the number of days calculated as the first parent's "custody share." For purposes of this calculation, the year may begin on such date as is determined in the discretion of the court, and the day may begin at such time as is determined in the discretion of the court. For purposes of this calculation, a day shall be as defined in subdivision G 3 (c).
- (iii) Shared support need. "Shared support need" means the presumptive guideline amount of needed support for the shared child or children calculated pursuant to subsection B of this section, for the combined gross income of the parties and the number of shared children, multiplied by 1.4.
- (iv) Sole custody support. "Sole custody support" means the support amount determined in accordance with subdivision G 1.
- (b) Support to be paid. The shared support need of the shared child or children shall be calculated pursuant to subdivision G 3 (a) (iii). This amount shall then be multiplied by the other parent's custody share. To that sum for each parent shall be added the other parent's cost of health care coverage to the extent allowable by subsection E, plus the other parent's work-related child-care costs to the extent allowable by subsection F. This total for each parent shall be multiplied by that parent's income share. The support amounts thereby calculated that each parent owes the other shall be subtracted one from the other and the difference shall be the shared custody support one parent owes to the other, with the payor parent being the one whose shared support is the larger. Unreimbursed medical and dental expenses shall be calculated and allocated in accordance with subsection D.
- (c) Definition of a day. For the purposes of this section, "day" means a period of 24 hours; however, where the parent who has the fewer number of overnight periods during the year has an overnight period with a child, but has physical custody of the shared child for less than 24 hours during such overnight period, there is a presumption that each parent shall be allocated one-half of a day of custody for that period.
- (d) Minimum standards. Any calculation under this subdivision shall not create or reduce a support obligation to an amount which seriously impairs the custodial parent's ability to maintain minimal adequate housing and provide other basic necessities for the child. If the gross income of either party is equal to or less than 150 percent of the federal poverty level promulgated by the U.S. Department of Health and Human Services from time to time, then the shared custody support calculated pursuant to this subsection shall not be the presumptively correct support and the court may consider whether the sole custody support or the shared custody support is more just and appropriate.
- (e) Support modification. When there has been an award of child support based on the shared custody formula and one parent consistently fails to exercise custody or visitation in accordance with the parent's custody share upon which the award was based, there shall be a rebuttable presumption that the support award should be modified.
- (f) In the event that the shared custody support calculation indicates that the net support is to be paid to the parent who would not be the parent receiving support pursuant to the sole custody calculation, then the shared support shall be deemed to be the lesser support.
- H. The Secretary of Health and Human Resources shall ensure that the guideline set out in this section is reviewed by October 31, 2001, and every four years thereafter, by the Child Support Guidelines Review Panel, consisting of 15 members comprised of four legislative members and 11 nonlegislative citizen members. Members shall be appointed as follows: three members of the House Committee for Courts of Justice, upon the recommendation of the chairman of such committee, to be appointed by the Speaker of the House of Delegates in accordance with the principles of proportional representation contained in the Rules of the House of Delegates; one member of the Senate Committee for Courts of Justice, upon the recommendation of the chairman of such committee, to be appointed by the Senate Committee on Rules; and one representative of a juvenile and domestic relations district court, one representative of a circuit court, one representative of the Department of Social Services' Division of Child Support Enforcement, three members of the Virginia State Bar, two custodial parents, two noncustodial parents, and one child advocate, upon the recommendation of the Secretary of Health and Human Resources, to be appointed by the Governor. The Panel shall determine the adequacy of the guideline for the determination of appropriate awards for the support of children by considering current research and data on the cost of and expenditures necessary for rearing children, and any other resources it deems relevant to such review. The Panel shall report its findings to the General Assembly as

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410 provided in the procedures of the Division of Legislative Automated Systems for the processing of
411 legislative documents and reports before the General Assembly next convenes following such review.
412 Legislative members shall serve terms coincident with their terms of office. Nonlegislative citizen

Legislative members shall serve terms coincident with their terms of office. Nonlegislative citizen members shall serve at the pleasure of the Governor. All members may be reappointed. Appointments to fill vacancies, other than by expiration of a term, shall be made for the unexpired terms. Vacancies shall be filled in the same manner as the original appointments.

Legislative members shall receive such compensation as provided in § 30-19.12, and nonlegislative citizen members shall receive such compensation for the performance of their duties as provided in § 2.2-2813. All members shall be reimbursed for all reasonable and necessary expenses incurred in the performance of their duties as provided in §§ 2.2-2813 and 2.2-2825. Funding for the costs of compensation and expenses of the members shall be provided by the Department of Social Services.

The Department of Social Services shall provide staff support to the Panel. All agencies of the Commonwealth shall provide assistance to the Panel, upon request.

The chairman of the Panel shall submit to the Governor and the General Assembly a quadrennial executive summary of the interim activity and work of the Panel no later than the first day of 2006 regular session of the General Assembly and every four years thereafter. The executive summary shall be submitted as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports and shall be posted on the General Assembly's website.