

S.F. No. 1519 – Child Support; Interest Accrual; Parent Education (as amended by SCS1519A-3 amendment)

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Overview

S.F. 1519 modifies provisions related to child support guidelines, deductions, and calculations; child care support obligations; modifications due to increased income; and reporting arrears to consumer reporting agencies (**article 1**). This bill also removes interest charging requirements for child support judgments and specifies that interest does not accrue on such judgments (**article 2**) and modifies provisions related to the parent education program (**article 3**).

Article 1 – Child Support Income Provisions, Guidelines, Child Care Costs, and Arrears.

Section 1. Calculation of gross income. Removes deduction of court-ordered child support payments from other periodic payments received by a party for purposes of determining gross income. Effective January 1, 2023.

Section 2. Deduction from income for nonjoint children. Specifies that court-ordered child support payments for a nonjoint child are to be deducted from the payor’s gross income. Requires a deduction to be calculated when a parent is legally responsible for a nonjoint child and that parent is not obligated to pay court-ordered basic child support for the nonjoint child to the other parent or legal guardian. Specifies that this deduction is calculated using the basic support guideline table and the gross income of the parent for whom the deduction is being calculated, minus other deductions and up to six eligible nonjoint children. Modifies the deduction for nonjoint children from 50 percent to 75 percent of the guideline amount. Effective January 1, 2023.

Section 3. Determination of support obligation. Specifies the support obligation determination for when a support order is sought in an action involving only one parent. Increases maximum combined parental income for the presumed basic child support obligations from \$15,000 to \$20,000 per month. Effective January 1, 2023.

Section 4. Basic support; guideline. Updates the basic support guideline table amounts and makes low-income adjustments. Effective January 1, 2023.

Section 5. Child care exception. Specifies that a decrease in child care support is effective the date the child care expenses terminate.

Section 6. Child care cost information. Requires the obligee to give the child care provider the name and address of the obligor, and to give the obligor the contact information of the child care provider. Requires the obligee to provide the obligor with verification from the child care provider indicating child care expenses for the previous year, by February 1 of each year. Requires the obligee to inform the obligor of changes to child care, and allows the obligor to request the verification from the provider if the obligee fails to provide it. Requires the obligee to notify the obligor and the public authority when the obligee is no longer incurring child care expenses.

Section 7. Change in child care. Specifies that, in cases where child care expenses have ended, parties may modify the order. Allows parties to contact the public authority about filing a stipulation to modify or terminate the child care support amount, when the public authority is providing child support services

Section 8. Ability to pay; self-support adjustment.

Subd. 1. Ability to pay. Modifies the calculation of the obligor’s income available for support by subtracting the self-support reserve from parental income for determining support (PICS) instead of gross income.

Subd. 2. Minimum basic support amount. Modifies provisions related to minimum basic support amounts for certain numbers of children; increases maximum to six or more children. Removes provision specifying that the minimum amounts do not apply if an obligor receives no income and completely lacks the ability to earn an income.

Subd. 3. Exception. Specifies that the minimum basic support amount does not apply if the obligor’s basic support amount is reduced below the minimum due to the parenting expense adjustment.

This section is effective January 1, 2023.

Section 9. Increase in income of custodial parent. Allows the court to deviate from the presumptive child support obligation in a modification when the only change in circumstances is an increase in the custodial parent’s income and: 1) the basic support increases; 2) the parties’ combined gross income is \$6,000 or less; or 3) the obligor’s income is \$2,000 or less. Effective January 1, 2023.

Section 10. Consumer reporting agency; reporting arrears. Makes public authority reporting of child support arrears to a consumer reporting agency optional, not required. Adds option for obligor to enter into a written and approved payment agreement for child support arrears to prevent reporting of arrears to a consumer reporting agency. Effective January 1, 2023.

Article 2 – Interest on Child Support Judgments.

Section 1. Contents. Removes interest charging language; removes **paragraph (k)**, stating that the public authority may suspend or resume interest charging on child support judgments under certain conditions, from child support judgment notice requirements. Removes statement that interest begins to accrue on child support payments when the amount due is greater than the support due, from

judgments for unpaid support notice requirement. Requires notice in judgments for unpaid maintenance, stating that the public authority is not responsible for calculating interest on a judgment for unpaid spousal maintenance; provides exception for collecting interest on unpaid spousal maintenance in IV-D cases. Effective August 1, 2022.

Section 2. Child support judgment by operation of law. Removes language regarding interest accrual on child support judgments. Specifies that interest does not accrue on judgments for child support, confinement and pregnancy expenses, or genetic testing fees. Effective August 1, 2022.

Section 3. Entry and docketing of child support judgment. Specifies that a child support judgment entered and docketed is not subject to interest charging or accrual. Effective August 1, 2022.

Section 4. Child support judgment administrative renewals. Specifies that a child support judgment renewal only includes unpaid interest accrued prior to August 1, 2022, the effective date of this section.

Section 5. Payoff statement. Specifies that the child support or maintenance payoff statement from the public authority must state that the public authority does not calculate accrued interest and that an interest balance may be owed. Effective August 1, 2022.

Section 6. Release of lien. Adds language specifying that the lien release requirement applies to child support amounts due. Specifies that the public authority is not responsible for satisfaction of judgments for unpaid maintenance. Effective August 1, 2022.

Section 7. When owed; rate. Exempts child support judgments from family court action interest accrual provisions. Specifies that interest does not accrue on child support judgments. Effective August 1, 2022.

Article 3 – Parent Education Program Requirements.

Section 1. Implementation; administration. Requires the district court to ensure that their website includes information on the parent education program.

Section 2. Attendance. Authorizes parties who have not agreed to custody or parenting time to take online classes to meet the minimum eight hours required for the parenting education program. Requires the parties to complete the class before the initial case management conference, unless otherwise ordered by the court. Requires the court to provide notice to the parties regarding their option to resolve disagreements through the use of private mediation.