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First engrossment

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

This article modifies various provisions related to child support guidelines, deductions, and calculations, with many changes arising from the recommendations of the Child Support Task Force. The article also modifies requirements related to child care support obligations, modifications due to income increase, and reporting arrears to consumer reporting agencies.

Section Article 1: Child Support Income Provisions, Guidelines, Child Care Costs, and Arrears

1 Calculation of gross income.

Amends § 518A.29. Removes deduction of court-ordered child support payments from other periodic payments received by a party for purposes of determining gross income.

2 Deduction from income for nonjoint children.

Amends § 518A.33. Specifies that court-ordered child support or spousal maintenance payments are to be deducted from the payor's gross income.

Additionally 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.

3 **Determination of support obligation.**

Amends § 518A.35, subd. 1. 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.

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4 Basic support; guideline.

Amends § 518A.35, subd. 2. Updates the basic support guideline table amounts and makes low-income adjustments. Makes this section effective August 31, 2022.

5 Child care exception.

Amends § 518A.39, subd. 7. Specifies that a decrease in child care support is effective the date the child care expenses terminate.

6 Child care cost information.

Amends § 518A.40 by adding subd. 3a. Paragraph (a) 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. It also 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. Also 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.

Paragraph (b) requires the obligee to notify the obligor and the public authority when the obligee is no longer incurring child care expenses.

7 Change in child care.

Amends § 518A.40, subd. 4. Paragraph (d) specifies that, in cases where child care expenses have ended, parties may modify the order.

Paragraph (e) 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.

8 Ability to pay; self-support adjustment.

Amends § 518A.42.

- **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.** Adds paragraph (b) with language removed from the subdivision above. Adds paragraph (c), specifying that the minimum basic

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support amount does not apply if the obligor's basic support amount is reduced below the minimum due to the parenting expense adjustment.

9 Increase in income of custodial parent.

Amends § 518A.43 by adding subd. 1b. 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.

10 Consumer reporting agency; reporting arrears.

Amends § 518A.685. 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.

Makes this section effective January 1, 2022.

Article 2: Interest on Child Support Judgments

Currently, past due child support payments, called arrears, accrue interest when the amount due is greater than the monthly support obligation. For arrears totaling under \$50,000, the current judgment rate is 4% per year. For arrears totaling over \$50,000, the judgment rate is 10% per year.

This article removes interest charging requirements for child support judgments and specifies that interest does not accrue on such judgments. It makes corresponding changes throughout relevant statutes, with all changes effective August 1, 2022.

Section Article 2: Interest on Child Support Judgments

1 Contents.

Amends § 518.68, subd. 2. 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.

Section Article 2: Interest on Child Support Judgments

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.

Adds language to required 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.

Makes this section effective August 1, 2022.

2 Child support judgment by operation of law.

Amends § 548.091, subd. 1a. 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.

Makes this section effective August 1, 2022.

3 Entry and docketing of child support judgment.

Amends § 548.091, subd. 2a. Adds paragraph (c) specifying that a child support judgment entered and docketed is not subject to interest charging or accrual.

Makes this section effective August 1, 2022.

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.

Makes this section effective August 1, 2022.

5 Payoff statement.

Amends § 548.091, subd. 9. 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.

Makes this section effective August 1, 2022.

6 Release of lien.

Amends § 548.091, subd. 10. 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.

Makes this section effective August 1, 2022.

Section Article 2: Interest on Child Support Judgments

7 When owed; rate.

Amends § 549.09, subd. 1. Exempts child support judgments from family court action interest accrual provisions. Specifies that interest does not accrue on child support judgments.

Makes this section effective August 1, 2022.

Article 3: Parent Education Program Requirements

This article requires the court to list parenting education program information on their website, and allows parties who have not agreed to a parenting time schedule who are required to take the parenting education class to do so online.

It also requires the parties to complete the class before the initial case management conference, unless otherwise ordered by the court, and to be provided for information by the court on how to resolve disagreements through mediation.



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