

File Number: H.F. 3406
Version: As introduced

Date: March 14, 2018

Authors: Scott

Subject: Child support potential income and arrears

Analyst: Sarah Sunderman

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: www.house.mn/hrd/.

Overview

Under Minnesota's child support laws, if a parent is considered to be voluntarily unemployed, underemployed, or employed on a less than full-time basis, child support is calculated based on a determination of potential income, with a presumption that a parent can be employed full-time. In certain circumstances, however, a parent cannot be considered to be voluntarily unemployed, underemployed, or employed on a less than full-time basis. This bill, if passed, would modify those circumstances.

Under section 528A.685, if a child support obligor does not pay their obligation and any arrears for three months, the public authority (the local unit of government responsible for child support enforcement or the DHS Child Support Enforcement Division) is required to report that information to a consumer credit reporting agency. If the public authority reports that an obligor is in arrears but then determines that the obligor has paid the arrears in full or is paying their monthly support with an arrearage payment, the public authority must inform the consumer reporting agency that the obligor is current on child support. This bill, if passed, would remove the requirement to notify the consumer reporting agency when an obligor pays all arrears or begins paying the monthly obligation with arrearage payments.

Section

- 1 Parent not considered voluntarily unemployed, underemployed, or employed on a less than full-time basis.** Amends § 518A.32, subd. 3. Modifies the circumstances in which a

Section

parent is not considered to be voluntarily unemployed, underemployed, or employed on a less than full-time basis for child support calculation purposes.

Makes this subdivision applicable to all incarcerated parents by removing the exception for parents incarcerated due to nonpayment of child support.

Makes this subdivision applicable to a parent who has been determined to be eligible for general assistance or Supplemental Security Income payments. Specifies that any income that is not from public assistance payments may be considered in calculating child support.

- 2** **Consumer reporting agency; reporting arrears.** Amends § 518A.685. Removes the requirement that the public authority inform the consumer reporting agency if an obligor is currently paying child support, if an obligor has paid the arrears in full or is making the obligated monthly payments with added arrearage payments.