

Bulletin

October 31, 2007

Minnesota Department of Human Services □ P.O. Box 64941 □ St. Paul, MN 55164-0941

OF INTEREST TO

- County Directors
- Social Services Supervisors and Staff
- Fiscal Supervisors
- IV-D Supervisors
- Child Support Officers
- County Attorneys
- Tribal IV-D Programs

ACTION

Please use for informational purposes.

EXPIRATION DATE

October 31, 2009

2007 Minnesota legislature passes new child support laws

TOPIC

New child support laws passed by the 2007 Minnesota Legislature.

PURPOSE

Provides brief descriptions and effective dates for new child support laws enacted by the 2007 Minnesota State Legislature.

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The 2007 Minnesota Legislature passed several laws relating to child support. The complete text of these provisions may be found at <http://www.revisor.leg.state.mn.us/>. The changes include clarifications to the “income shares” child support laws that became effective January 1, 2007, and new policy changes. Some of the initiatives were brought by the department, while others were not.

The following is a summary of the changes. The Child Support Enforcement Division (CSED) will issue policy with further details on these provisions as necessary.

Department Initiatives Related to Child Support passed by the 2007 Minnesota Legislature:

Clarifications to the Child Support Guidelines

2007 Laws of Minnesota, Chapter 118

Effective Date: August 1, 2007

The Legislation passed in 2005 established the income shares model for child support determinations. The Legislation passed in 2006 made some clarifications to that language. The Legislation in 2007 provides further clarifications which include the following:

- The required notices that parties receive with every child support order were changed to reflect some of the Legislative changes of the previous years.
- The use of potential income was clarified so that it is clear that potential income applies to calculations of ongoing support, of past support, for the reimbursement of public assistance, and for parents who are voluntarily employed less than full-time.
- Child care costs can be suspended (or resumed) when the public authority provides child support services and upon verification by the public authority with the party incurring the expense that child care costs are no longer being incurred (or have resumed). The suspension (or resumption) of the child care costs is effective the first day of the month following verification.
- The medical support provisions were re-organized and clarified.
- A modification of child support may be requested when the available health care coverage changes or a substantial increase or decrease in health care coverage costs occurs.
- Clarified that a Cost of Living Adjustment is made only to the basic support obligation.

Policy Changes to the Child Support Statutes
2007 Laws of Minnesota, Chapter 118
Effective Date: January 1, 2008

Interest Rate for Child Support Judgments

Currently the interest rate for child support judgments is two percent more than other civil judgments. Effective January 1, 2008, the interest rate for child support judgments will be the same as other civil judgments. The actual rate changes yearly.

Interest Charging

If an obligor makes twelve consecutive, complete and timely child support payments and the public authority provides child support services, the obligor may request that the public authority stop charging interest on the child support arrears. The IV-D program was given administrative authority to stop charging interest upon verifying that the payments have been complete and timely for twelve consecutive months. If the obligor stops making timely payments, the interest will resume.

Financial Affidavit

The Financial Affidavit form that is required to be filed with the court by parents seeking to establish or modify child support will now be prepared by the state court administrator and available only on the Minnesota Judicial Branch website. This will allow attorneys or pro se parties the ability to find all pro se forms for establishing or modifying child support in one place. The form can now be found at: www.courts.state.mn.us under "Court Forms" and "Child Support" in the categories list. This form is included as necessary in the Packet of forms on the website.

Other Initiatives Related to Child Support passed by the 2007 Minnesota Legislature:

2007 Laws of Minnesota, Chapter 118
Effective Dates: Various

Potential Income

Potential income is not to be used when a parent is physically or mentally incapacitated or incarcerated. This provision was made retroactive to January 1, 2007. The 2006 child support statutes did not address a parent who was incarcerated or disabled.

Foreign Cost of Living

A new deviation factor was added for consideration when calculating child support. If a child lives in a foreign country that has a cost of living that is substantially higher or lower than this country, then a deviation may be considered when setting child support. The child must live in the foreign country for more than 1 year. When the child returns to this country or the cost of living is no longer a factor, a modification of child support can be requested.

2007 Laws of Minnesota, Chapter 147
Effective Date: See below

Child Support Enforcement Grants

The legislature awarded \$7.33 million to be distributed as grants to counties to replace the lost federal financial participation (FFP) on federal incentive monies as enacted in the federal Deficit Reduction Act of 2005. Counties will receive grant money on a quarterly basis, for the quarter ending December 31, 2007 through the quarter ending September 30, 2008. Counties will be advanced 34 percent of the FFP that would have been earned on federal incentives, which when expended on program activities will generate 66 percent of the FFP that would have been earned on federal incentives. A negative settlement may be required if counties do not earn the full amount of the estimated incentives advanced. Further information and estimated amounts can be accessed through DHS: SIR/PRISM, under the heading Business Management, and the subheading Other Budget Resources.

Special Needs

This information is available in other forms to people with disabilities by contacting us at (651) 431-4400 (voice) or toll free at (800) 657-3512. TDD users can call the Minnesota Relay at 711 or (800) 627-3529. For the Speech-to-Speech Relay, call (877) 627-3848.