



Bulletin

NUMBER

#15-68-11

DATE

July 21, 2015

OF INTEREST TO

County Directors

County Child Support
Supervisors and Staff

County Attorneys

State Child Support Staff

Tribal Child Support Staff

ACTION/DUE DATE

Please read information
and prepare for
implementation

EXPIRATION DATE

July 21, 2015

2015 Child Support Legislative Changes

TOPIC

Changes affecting child support enacted during the 2015 Minnesota Legislative session.

PURPOSE

Provide information and instructions on policy changes.

CONTACT

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SIGNED

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TERMINOLOGY NOTICE

The terminology used to describe people we serve has changed over time. The Minnesota Department of Human Services (DHS) supports the use of "People First" language.

I. Background Information

During the 2015 Minnesota Legislative session, changes were enacted that impact the Child Support Division (CSD).

Some changes in this bulletin are for informational purposes, and others require agency action. Effective dates and changes requiring action are noted.

II. 2015 Legislative Changes

A. Child Support Work Group

Laws of Minnesota 2015, chapter 71, articles 1 and 14, sections 121 and 2

This legislation requires the formation of a Child Support Work Group tasked with providing a report to the Legislature by January 15, 2016. The report must include recommendations on the parenting time expense adjustment, the computation of child support and the membership of a permanent child support task force. This legislation also permits the work group to hire an economist to help create an equitable parenting time expense adjustment formula. CSD is in the process of gathering member information and working out meeting logistics, with the hope that work group meetings will begin in August 2015.

B. Subsequent Income Withholding

Laws of Minnesota 2015, chapter 78, article 1, section 38
Minnesota Statutes, section 518A.53, subdivision 7

Effective May 23, 2015 (the day following final enactment), the subsequent income withholding language that was inadvertently repealed during the 2014 session was revived and reenacted retroactively from August 1, 2014. CSD anticipates minimal impact as a result of this legislation but the impact will vary by county as counties had different approaches to the repeal in 2014. County workers are encouraged to consult with their county attorney to see if any action needs to be taken to address the revival and reenactment of this subdivision.

C. Uniform Interstate Family Support Act (UIFSA) 2008

Laws of Minnesota 2015, chapter 71, article 1, sections 101-119
Minnesota Statutes, chapter 518C

Effective July 1, 2015, clarifications will be made to UIFSA to comply with the federal requirement that states pass UIFSA 2008 verbatim. CSD assembled a project team that is working on the following changes which it hopes to have completed by July 1, 2015:

- The addition of a UIFSA glossary to User Documentation to incorporate existing terms and provide new definitions to accommodate foreign countries and foreign orders as set forth in UIFSA 2008
- Templates for controlling order determination will be added to User Documentation to accommodate foreign orders, PRISM documents will no longer be applicable for this process.
- Duties of the initiating and responding tribunal/agency will be revised to omit the three copy requirement, and to add a duty to convert foreign currency amounts when foreign countries or foreign orders are involved.
- User Documentation will be revised to reflect that non-disclosure affidavits are now accepted in lieu of the non-disclosure court order process.
- User Documentation will be revised to reflect that the procedural deadlines for the non-registering party to contest enforcement or registration of a court order will be modified to 20 days generally, 30 days if a convention foreign order, or 60 days if a party lives outside of the United States.
- User Documentation will be revised to reflect that the tribunal has the ability to assume jurisdiction and modify an order of a foreign country not under convention, when certain conditions exist.
- The Direct Income Withholding User Documentation section will be revised and clarified to provide for use of direct income withholding on both in-state and out-of-state orders.
- A revised limited services section will be added to User Documentation to accommodate another state's request for change of payee and redirection of child support payments as permitted under section 319 of UIFA 2008.

D. Affordable Care Act Compatibility Changes

Definition Changes Effective July 1, 2015

Laws of Minnesota 2015, chapter 71, article 1, sections 10, 11, 73, 79 and 81
Minnesota Statutes, sections 256.741, 518A.41, 518A.46 and 518A.51

- Legislation clarified that MinnesotaCare and health plans subsidized by federal premium tax credits or federal cost-sharing reductions are not public medical programs, thereby codifying the existing practice of not seeking medical support reimbursement in these cases that has been in place since January 2014. User Documentation will be updated but CSD does not anticipate additional changes or further impact on the counties based on this legislation.
- "Comprehensive" medical coverage will be defined to include plans meeting the definition of minimum essential coverage under the Affordable Care Act. User Documentation and any affected PRISM documents will be updated. This is mainly a change counties should simply be aware of.

Minnesota Care Premium Table Change Effective July 1, 2015

Laws of Minnesota 2015, chapter 71, article 1, Section 75
Minnesota Statutes, section 518A.41

- Legislation codifies that the new MinnesotaCare premium scale should be used to set medical support reimbursement. CSD anticipates no impact as the PRISM and the web calculator were programmed to do this in July 2014.

Certain Non-Custodial Parents (NCPs) Exempt from Medical Support Coverage Contributions Effective August 1, 2015

Laws of Minnesota 2015, chapter 71, article 1, section 75
Minnesota Statutes, section 518A.41

- NCPs on Medical Assistance will be exempt from a medical support coverage contribution. This is consistent with the current treatment of custodial parents. User Documentation will be updated to reflect this change. Counties should change their current practice if necessary on or before August 1, 2015 which may mean changes in data verification, information in pleadings and findings in court orders.

Potential Income Changes Effective March 1, 2016

Laws of Minnesota 2015, chapter 71, article 1, section 70
Minnesota Statutes, section 518A.32

- The default method for calculating potential income will change effective March 1, 2016 to 30 hours per week at 100% of minimum wage versus 40 hours per week at 150% of minimum wage. PRISM changes will be needed as well as changes to the online calculator. User Documentation will also be updated to reflect this change.

Medical Support Only Modifications Effective January 1, 2016

Laws of Minnesota 2015, chapter 71, article 1, sections 72, 76-77, 80
Minnesota Statutes, sections 518A.39, 518A.41 and 518A.46

- Legislation allows for modification of only the medical portion of a child support order that has been reviewed in its entirety in the past 3 years if: insurance available to either parent changes; the tax dependency credit is not in line with the parent who is providing coverage; or eligibility of the parties or child changes
- CSD is working with the County Medical Support Work Group and State Court Administration staff to create policies and procedures for this process. CSD will also need to update and/or create new documents after the process is determined. Changes to legal process tracking or a new legal process may also be needed.

E. Income Tax Dependency Exemption

Laws of Minnesota 2015, chapter 30, article 1, section 10
Minnesota Statutes, section 518A.38

Effective August 1, 2015, the law outlines factors the court must consider in awarding a tax dependency exemption and will allow a party to seek compensation, reasonable costs and fees if the other party does not comply and wrongfully takes the exemption or refuses to release the exemption. CSD is currently reviewing this provision with the County Medical Support Work Group and State Court Administration staff and will update User Documentation as necessary.

F. Interest Rate on Non-Public Assistance Judgments Over 50K

Laws of Minnesota 2015, chapter 30, article 1, section 12
Minnesota Statutes, section 549.09

Effective August 1, 2015, the ten percent (10%) interest rate on non-public assistance child support judgments greater than \$50,000 will no longer be applicable. Interest on these judgments will once again be computed as simple interest per annum with the rate of interest to be determined annually by State Court Administration, currently four percent (4%). No new programming on PRISM is required as no change was made when the 10% interest rate became effective in 2010.

G. Uniform Deployed Parents Custody and Visitation Act

Laws of Minnesota 2015, chapter 30, articles 2-5
Minnesota Statutes, chapter 518E

Effective August 1, 2015, under the Uniform Deployed Parents Custody and Visitation Act, a deployed service member may designate custodial responsibility and/or decision-making authority for his or her child(ren) to another person during the time of deployment. Child support in these cases would need to be established/modified outside the designation process, through one of the existing processes for establishing/modifying support. CSD is reviewing this provision and will update User Documentation as necessary, but anticipates minimal impact to counties.

H. Alternative Modification Effective Date

Laws of Minnesota 2015, chapter 30, article 1, section 11
Minnesota Statutes, section 518A.39

Effective August 1, 2015, the court will be able to adopt an effective date that is prior to the date of service for the modification of a maintenance or support order

when the parties enter into a binding agreement for an alternative effective date. This is codification of a practice that is currently used. CSD anticipates minimal, if any, policy changes to User Documentation as a result of this legislation.

I. DEED Definition Changes

Laws of Minnesota 2015, chapter 78, article 1, section 35
Minnesota Statutes, section 268.155

Effective October 15, 2015, changes will be made to the definition of “child support obligation” and “child support agency” to clarify that the Department of Employment and Economic Development (DEED) is required to deduct child support from unemployment benefits and forward them to a federally recognized tribal IV-D agency. CSD does not anticipate this legislation having an impact on the program, other than clarifying DEED’s ability to collect support from unemployment benefits and pass that support onto a tribal IV-D agency.

J. Additional Deviation Factor

Laws of Minnesota 2015, chapter 71, article 1, section 78
Minnesota Statutes, section 518A.43

Effective March 1, 2016, an additional deviation factor will be available, allowing a \$0 monthly basic support order for a party who has between 10 and 45 percent parenting time if such a significant disparity of income exists between the parties that an order directing payment of basic support would be detrimental to the child. CSD is reviewing this provision and will update User Documentation as necessary but does not anticipate being able to offer significant guidance on the applicability of this new factor as a number of the terms used in the provision were left undefined. CSD also anticipates a PRISM table change and changes to PRISM documents as a result of this legislation.

K. Recognition of Parentage (ROP) Changes

Laws of Minnesota 2015, chapter 71, article 1, section 52
Minnesota Statutes, section 257.75

Effective March 1, 2016, the effects of Recognitions of Parentage (ROPs) will be clarified and the ROP form, ROP revocation form, and all paternity education materials issued by DHS, including the public web materials and the Power of Two video, will need to be updated to contain more detailed notice provisions. CSD also anticipates the need to reach out to hospitals to inform and train them with regard to the change in law. CSD will also need to make necessary changes to User Documentation.

L. Definition of Obligor

Laws of Minnesota 2015, chapter 71, article 1, section 69
Minnesota Statutes, section 518A.26, subdivision 14

Effective March 1, 2016, the definition of “obligor” will be changed to remove the presumption that a person with primary physical custody is not an obligor. CSD is reviewing this provision and will update User Documentation as necessary but anticipates minimal impact on the program.

M. Elimination of Application Fee for Child Support Applicants

Laws of Minnesota 2015, chapter 71, article 1, sections 81-83
Minnesota Statutes, sections 518A.51 and 518A.53

Effective July 1, 2016, the child support application fee will be eliminated completely for applicants. The application fee will be reduced from \$25 to \$0.01 and the State will pay the federal share of the application fee from state funds. This legislation requires changes to PRISM, the child support application form (DHS1958), the child support handbook (DHS 3393), and the child support website. User Documentation will also be updated as needed.

N. Changes to Income Withholding

Laws of Minnesota 2015, chapter 71, article 1, sections 82-85
Minnesota Statutes, sections 518A.53 and 518A.60

Effective July 1, 2016, changes will be made to the income withholding statute to clarify that if a court orders a specific payback amount for arrears, the ordered amount shall be used in lieu of the standard 20 percent. PRISM programming will be changed to allow an amount other than 20% for arrears payback without manual calculation and intervention. User Documentation will also be updated to reflect this change in policy.

O. Reporting Delinquent Obligor to Consumer Reporting Agencies

Laws of Minnesota 2015, chapter 71, article 1, section 86
Minnesota Statutes, section 518A.685

Effective July 1, 2016, reporting delinquent child support obligors to consumer reporting agencies will change from person-based reporting to case-based reporting. In addition, CSD will be able to report additional status codes to the consumer reporting agencies that will more accurately reflect situations in which an

obligor is making partial or full monthly child support payments. PRISM changes and User Documentation updates will be made.

P. Child Support MFIP Disregard

Laws of Minnesota 2015, chapter 71, article 1, sections 41 and 43

Laws of Minnesota 2015, chapter 71, article 5, sections 1-4, 6, 8-9, 11-12, 25, and 31-32

Minnesota Statutes, sections 256J.21 and 256J.33

Effective October 1, 2015, the following will be excluded as income for purposes of determining ongoing MFIP eligibility and calculating the amount of the assistance payments for participants: child support payments of \$100 for an assistance unit with one child and \$200 for an assistance unit of two or more children. This change should have a minimal impact on child support program. CSD is working with MFIP program to ensure that they have the child support payment information they need to implement this provision for financial workers

III. Next Step

CSD is in the process of determining how to effectively implement these legislative changes, including determining what notices, documents and User Documentation require revision or other modification to ensure they accurately reflect legislative changes. CSD will continue to provide updates and information through Child Support County Messages as implementation begins.

Americans with Disabilities Act (ADA) Advisory

This information is available in accessible formats for people with disabilities by calling (651) 431-4670 (voice) or by using your preferred relay service. For other information on disability rights and protections, contact the agency's ADA coordinator.