

2017 FAMILY LAW SEMINAR



New Changes to the Iowa Child Support Guidelines



10:15 a.m. - 11:15 a.m.

Presented by

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THURSDAY, OCTOBER 26

IOWA CHILD SUPPORT GUIDELINES:

SUMMARY OF CHANGES¹

(Effective January 1, 2018)

1. Background.

- A. The Federal Family Support Act of 1988 requires each state to maintain uniform child support guidelines and criteria and to review the guidelines and criteria at least once every four years. The Iowa Child Support Guidelines are found in chapter 9 of the Iowa Court Rules.
- B. In May 2016, the Iowa Supreme Court established the 2016 Iowa Child Support Guidelines Review Committee (Committee) to assist with the latest scheduled review of Iowa's child support guidelines. The Committee issued its Final Report, containing 14 separate recommendations, in April 2017.
- C. On July 20, 2017, the Iowa Supreme Court issued an order adopting the Committee's recommendations. The amended rules and revised child support grids will be effective January 1, 2018.

2. Health Insurance.

- A. Iowa Code Section 252E.1A requires the court to order a parent to provide a health benefit plan covering the child(ren) if the parent has a plan which is accessible and reasonable in cost. If a parent is ordered to provide a health benefit plan, the guidelines provide that the insurance premium for the child(ren) is added to the basic support obligation and prorated between the parents. Rule 9.14(5)(b) currently provides that the child(ren)'s portion of insurance is the difference between the cost of family coverage to the parent or stepparent and single coverage, regardless of the number of individuals covered under the policy.

¹ This summary was prepared by members of the 2016 Child Support Guidelines Review Committee. The commentary in this summary does not necessarily represent the views of the Iowa Supreme Court.

B. The Committee discussed two primary difficulties with the current rule. First, the cost of “family coverage” frequently exceeds the cost of the group plan actually carried by the parent (such as a parent + child plan). This inappropriately increases the support obligation if the custodial parent is ordered to carry the health insurance and inappropriately decreases the support obligation if the noncustodial parent is ordered to carry the health insurance. Second, if the entire difference in cost between family and single coverage is utilized, the parent not carrying the health insurance may be subsidizing the health insurance costs of the other parent’s family. For example, if a noncustodial parent has a health insurance plan covering his or her new spouse, their child, and the child for whom support is being calculated, prorating the entire cost difference between family and single coverage would require the custodial parent to subsidize the noncustodial parent’s cost to cover his or her new spouse and their child.

C. CHANGE: Effective January 1, 2018, Rule 9.14(5)(b) will be amended to provide:

“b. The allowable child(ren)’s portion of the premium will be calculated as follows:

(1) For a health benefit plan covering multiple individuals, including the child(ren) in the pending action, the allowable child(ren)’s portion is the amount of the premium cost for such coverage to the parent or stepparent that is in excess of the premium cost for single coverage, divided by the number of individuals enrolled in the health benefit plan, excluding the person providing the insurance, and then multiplied by the number of children who are the subject of the pending action.

(2) For a health benefit plan covering only the child(ren) in the pending action, the entire premium will be used as the allowable child(ren)’s portion of the premium.”

EXAMPLE: A parent is ordered to provide a health benefit plan. The plan costs \$600 per month and covers himself, his new spouse, his child with his new spouse, and the two children who are the subject of the support order. A single plan would cost \$280 per month. The allowable child(ren)’s portion which will be added to the basic support obligation and prorated between the parties is \$160. $[\$600 \text{ total plan cost} - \$280 \text{ single cost} = \$320 / 4 \text{ individuals covered} \text{ excluding the parent providing the insurance} = \$80 \times 2 \text{ children subject of the support order} = \$160]$.

3. Cash Medical Support and hawk-i.

- A. Healthy and Well Kids in Iowa (hawk-i) is not considered a “health benefit plan”. Therefore, when a parent has the child(ren) enrolled in hawk-i, and the other parent does not have health insurance available at a reasonable cost, the other parent will be subject to the requirement of paying cash medical support. The cost of cash medical support is often significantly greater than the cost of the hawk-i coverage. The State of Iowa typically takes an assignment of the cash medical support a parent is ordered to pay when the child(ren) is on Title 19, but does not take an assignment of cash medical support when the child(ren) is on hawk-i. When the cash medical support amount is greater than the cost for hawk-i, it results in a windfall to the custodial parent.
- B. CHANGE: Effective January 1, 2018, cash medical support amount will be the lesser of the actual cost of the hawk-i premium or the amount calculated under the guidelines. Rule 2.12(3) will be amended to add:

“...If the child(ren)’s health care coverage is through the Healthy and Well Kids in Iowa program (hawk-i) under Iowa Code chapter 514I, the ordered amount of cash medical support is the cost of the hawk-i premium or the amount calculated pursuant to the table in rule 9.12(4), whichever is less.”

4. Spousal Support and Definition of Gross Income.

- A. Rule 9.5(8) allows a deduction for a prior obligation for spousal support actually paid. However, it does not address what to do when spousal support is ordered in the current action. Iowa appellate courts have often permitted trial courts to consider spousal support paid or received in the current action in determining child support, even though it is not specifically addressed in the guidelines. See e.g., *In re Marriage of Mihm*, 842 N.W.2d 378, 382 (Iowa 2014); *In re Marriage of Lalone*, 469 N.W.2d 695, 696 (Iowa 1991). However, doing so represents a variance from the guidelines which must be supported by a finding that it is necessary to provide for the needs of the child(ren) or to do justice between the parties, payor, or payee under the special circumstances of the case.
- B. The guidelines are also ambiguous as to whether spousal support received by a party is included in that party’s gross income for purposes of calculating child support. Rule 9.5 defines net monthly income, but does not define gross monthly income beyond stating that it does not include public assistance benefits or earned income tax credits. The Committee reviewed definitions of gross income in Iowa law, rules, and case law, as well as statutory and rule

language from other states and agreed spousal support should uniformly be included in the gross income of the recipient and subtracted from gross income of the person paying it. The Committee also agreed that the spousal support amount should be determined first before child support is calculated. The only exception to the general rule urged by the Committee is that reimbursement spousal support not be added to the income of the recipient or deducted from the income of the payor.

C. CHANGE: Effective January 1, 2018, Rule 9.5(1) will be amended to add a gross monthly income definition and provide for the inclusion of spousal support in the income of the recipient and the deduction from the income of the payor:

“Rule 9.5 Income.

9.5(1) Gross monthly income. In the guidelines, the term “gross monthly income” means reasonably expected income from all sources.

a. Gross monthly income includes traditional or rehabilitative spousal support payments to be received by a party in the pending matter and prior obligation traditional or rehabilitative spousal support payments actually received by a party pursuant to court order.

(1) If traditional or rehabilitative spousal support is to be paid in the pending matter, it will be determined first and added to the payee’s income and deducted from the payor’s income before child support is calculated.

(2) The payor of prior obligation spousal support will receive a reduction from income for traditional or rehabilitative spousal support actually paid pursuant to court order.

(3) Reimbursement spousal support shall not be added to the payee’s income or deducted from the payor’s income.

b. Gross monthly income does not include public assistance payments, the earned income tax credit, or child support payments a party receives.

c. Gross income from self-employment is self-employment gross income less reasonable business expenses.

d. To determine gross income, the court shall not impute income under rule 9.11 except:

- (1) Pursuant to agreement of the parties, or
- (2) Upon request of a party, and a written determination is made by the court under rule 9.11."

5. **Child Care Expenses.**

- A. Child support amounts in the Schedule of Basic Support Obligations do not account for child care expenses. Child care costs are specifically removed from the economic data on which the guidelines are based because not all parents have child care costs. However, many states require that parents share in the cost of child care in other ways. Some states treat child care costs in the same way that Iowa treats health insurance premiums (added to the support obligation and prorated between the parents). Some states treat child care costs in the same way Iowa treats uninsured medical expenses (divided in proportion to income, but not added to the child support obligation). Iowa is one of only a few states that does not specifically address child care in its guidelines as either an add-on or as a separate obligation apportioning expenses between the parents. Instead, the Iowa guidelines merely allow a deduction from gross income for "Actual child care expense while custodial parent is employed, less the appropriate income tax credit." [Rule 9.5(10)]. The deduction from gross income has only a de minimis impact on the support amount.
- B. The Committee recognized that child care costs are sometimes quite significant, and often exceed the child support obligation, especially when a child is not of school age and when there are multiple children receiving child care. For example, the average cost of infant child care in a licensed center in Iowa is \$790 per month. However, if Iowa were to require child care costs to be shared in some uniform fashion, there are several issues that would need to be addressed as part of the solution. For example, disputes exist over the determination of the appropriate child care cost; differences over who would have the authority to select the provider; issues associated with family members providing care and only charging one of the parties; and the necessity of frequent modifications due to changes in the child care costs and the number of children in child care. Following the last review in 2009, the Iowa Supreme Court amended Rule 9.11(2) to specifically allow the district court to consider an upward variance from the guidelines based on the child care expenses of the parties when the circumstances demand it. Rule 9.11(2) was amended to add: "Adjustments may also be made based on the parties' child care expenses necessitated by employment or education." However, there is little evidence to suggest that

that this language has been utilized in any significant way since its addition in 2013. In addition, there continues to be a mistaken belief by many that variance is not warranted because the guidelines already account for child care costs.

C. CHANGE: Effective January 1, 2018, the child care variance language in Rule 9.11(2) will be stricken and a new rule (Rule 9.11A) addressing the court's ability to vary from the guidelines based on the cost of child care will be adopted. Rule 9.5(10) [now re-numbered 9.5(2)(j)] will also be amended to reference the definition of child care expenses in new Rule 9.11A. The rule changes are as follows:

“9.5(2)(j)² Actual child care expenses, as defined in rule 9.11A. This deduction is allowed regardless of whether a variance is granted under rule 9.11A.

...

Rule 9.11A Variance for child care expenses. The custodial parent's child care expenses may constitute grounds for the court to vary from the amount of child support that would result from application of the guidelines. In determining whether variance is warranted under this rule and rule 9.11, the court should consider the fact that child care expenses are not specifically included in the economic data used to establish the support amounts in the Schedule of Basic Support Obligations. When considering a variance, child care expenses are to be considered independently of any amount computed by use of the guidelines or any other grounds for variance.

9.11A(1) “Child care expenses” means actual, annualized child care expenses the custodial parent pays for the child(ren) in the pending matter that are reasonably necessary to enable the parent to be employed, attend education or training activities, or conduct a job search, less any third party reimbursements and any anticipated child care tax credits.

9.11A(2) There is a rebuttable presumption that there will be no variance for child care expenses attributable to a child who has reached the age of 13 years old.

9.11A(3) If variance is warranted, the support order must specify the amount of the basic support obligation calculated before the child care expense variance,

² Formerly rule 9.5(10).

the amount of the child care expense variance allowed, and the combined amount of the basic support obligation and the child care expense variance.

9.11A(4) This rule does not apply to:

- a. court-ordered joint (equally shared) physical care arrangements, as those child care expenses are to be allocated under rule 9.14(3); or
- b. cases where the noncustodial parent's adjusted net monthly income is in the low-income Area A of the schedule in rule 9.26."

6. **Step-Down Support Amounts.**

- A. When two or more children are covered by the support order, problems arise when the court's order or the parties' stipulation on which the order is based do not address how child support will change as the number of children eligible for support changes. In those instances, parties are required to seek a child support modification through the court or an administrative adjustment through the Child Support Recovery Unit. Until the support amount is changed, the payor must continue to pay the previously ordered amount which can be unduly burdensome to that party and can also create problems for the recipient if the support is later retroactively modified. The Committee determined that support orders covering two or more children should include a step-down provision to automatically adjust the child support amount as the number of children entitled to support changes. Of course, the step-down amounts of support are based on information that may later change. However, the step-down amounts are subject to later modification if necessary and providing a step-down amount of support at minimum creates a placeholder until a modification can be completed.
- B. CHANGE: Effective January 1, 2018, Rule 9.14 will be amended to add a new subrule for cases with multiple children to state that the support order must include a step-down provision to automatically adjust child support as the number of children entitled to current support changes, as follows:

"9.14(6) Step-down provisions. For cases with multiple children, the support order shall include a step-down provision to automatically adjust the child support amount as the number of children entitled to support changes, unless subsequently modified by the court."

7. Schedule of Basic Support Obligations.

- A. The current schedules are based on 2007 economic data using the Betson-Rothbarth-3 (BR-3) study, updated to 2012 price levels. Adjusting the economic data to 2016 price levels would be expensive and time consuming and would have a minimal impact on support amounts (approximately 1%) due to modest inflation since 2012. A new economic study is expected to be available during the next guidelines review and the schedules should be reviewed again then.
- B. In accordance with the Committee's recommendation, no changes will be made to the Schedule of Basic Support Obligations.

8. Model for Calculating Support.

- A. Iowa has utilized the current Pure Income Shares Model for calculating support since 2009. Thirty-nine states use the model. One of many advantages of the model is that it helped solve the "notch effect" that was prevalent under Iowa's prior child support guidelines. The Committee considered other models and determined that the Pure Income Shares Model continues to be the model which is most equitable.
- B. In accordance with the Committee's recommendation, the Pure Income Shares Model will be retained.

9. Minimum Support Amounts.

- A. The current minimum support amount is \$30 for one child and \$50 for two or more children. Any minimum support amount represents a public policy decision based primarily on the ability of the payor to pay rather than the needs of the child(ren). The minimum amounts were increased to their current level in 2012 and inflation has not increased significantly since then.
- B. In accordance with the Committee's recommendation, the minimum amount of support will not be changed at this time. However, the minimum support amounts should be reviewed during the next guidelines review when a new economic study is expected to be available.

10. High Income Parents.

- A. The current guidelines provide Basic Support Obligations for combined net monthly incomes up to \$25,000 per month. The Committee considered whether to provide support amounts for combined monthly net income beyond \$25,000.

However, the \$25,000 per month amount is already extrapolated from data supporting \$22,000 per month, and it would be speculative to extrapolate further.

- B. In accordance with the Committee's recommendation, the current combined adjusted net maximum monthly income limit of \$25,000 in the Schedule of Basic Support Obligations will be retained.

11. Guidelines Education for the Public.

- A. The Committee discussed the need for public education focused on informing parents about how the child support guideline amounts are determined and the method for calculating individual child support obligations.
- B. An educational video will be developed, produced, and freely shared. The video will specifically be provided for showing during the Children in the Middle course.

12. Updated Grids and Worksheets.

- A. The grids and child support guideline worksheets will be amended to correspond to the changes.
- B. The following grids and worksheets will be amended:
 - Adjusted Net Monthly Income Computation grid in Rule 9.14(1) to correspond to the changes to Rule 9.5.
 - Basic Method of Child Support Computation grid in Rule 9.14(2) to correspond to the changes to Rule 9.14(5) and Rule 9.5.
 - Joint (Equally Shared) Physical Care Method of Child Support Computation grid in Rule 9.14(3) to correspond to the changes to Rule 9.14(5) and Rule 9.5.
 - Child Support Guideline Worksheets in Rule 9.27 to correspond to the changes to Rule 9.14(5) and Rule 9.5.

NOTE:

The Final Report of the 2016 Iowa Child Support Guidelines Review Committee can be found at:

<http://www.iowacourts.gov/wfdata/frame10209-1263/File301.pdf>

The Iowa Child Support Guidelines, as amended, can be found at:

<http://www.iowacourts.gov/wfdata/frame10254-1235/File250.pdf>

In the Supreme Court of Iowa

**In the Matter of Amendments to)
Iowa Court Rules Chapter 9—)
Child Support Guidelines)**

CLERK SUPREME COURT

Order

Pursuant to Iowa Code section 598.21B and the federal Family Support Act of 1988, the supreme court has undertaken its quadrennial review of Iowa's Child Support Guidelines. The court approves amendments to Chapter 9 of the Iowa Court Rules, effective January 1, 2018. Provided with this order are the amended rules of Chapter 9 in strikethrough and underscore format, including the child support tables, grids, schedules, and worksheets.

The review process included the court's establishment of the 2016 Child Support Guidelines Review Committee (Committee). The Committee conducted a thorough review of the current Iowa child support guidelines and submitted its report and recommendations to the court. The Committee made 14 separate recommendations.

After careful review, the Committee recommended not making any changes at this time to Iowa's Schedule of Basic Support Obligations, retaining the current Pure Income Shares Model for calculating support, making no change to the current minimum support obligation amount of \$30 per month for one child and \$50 per month for two or more children, and maintaining the current combined adjusted net maximum monthly income limit of \$25,000 in the Schedule of Basic Support Obligations.

The Committee recommended several substantive changes to the Iowa child support scheme, including the following:

- More clearly defining the allowable child(ren)'s portion of the premium cost of health insurance to be used in calculating support and amending rule 9.14(5) accordingly.

- Amending rule 9.12(3) to allow the amount of cash medical support to be the lesser of the actual cost of the hawk-i premium or the amount calculated under rule 9.12(4).
- Adding a definition for gross monthly income and clarifying the treatment of spousal support in child support calculations with amendments to rule 9.5.
- Striking the child care variance language in rule 9.11(2) and adopting a new rule 9.11A to address specifically the court's ability to vary from the guidelines based on the cost of child care.
- Requiring support orders to include step-down provisions for child support in cases involving multiple children with new rule 9.14(6).

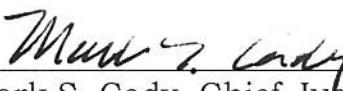
The Committee included appropriate adjustments to applicable chapter 9 grids, and worksheets consistent with its recommendations. The Committee's full report and recommendations are available on the Iowa Judicial Branch website.

Prior to its full consideration, the court solicited public comment on the Committee's report and recommendations. After careful review of the report and recommendations and of the comments received, the court adopts these recommendations as amendments to chapter 9 of the Iowa Court Rules as provided with this order.

The amended rules and revised child support grids and worksheets are effective January 1, 2018.

Dated this 20th day of July, 2017.

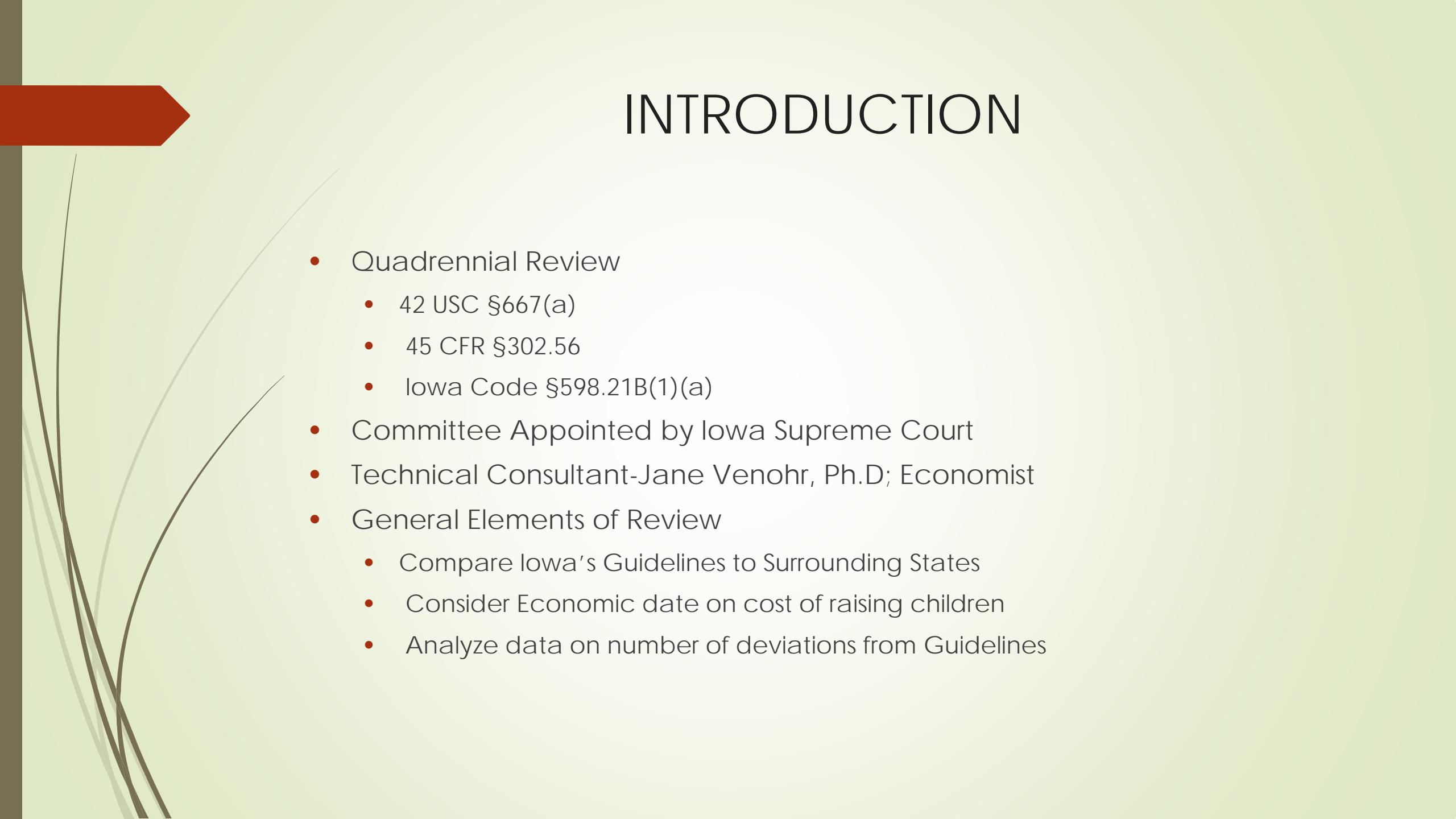
The Supreme Court of Iowa

By 
Mark S. Cady, Chief Justice



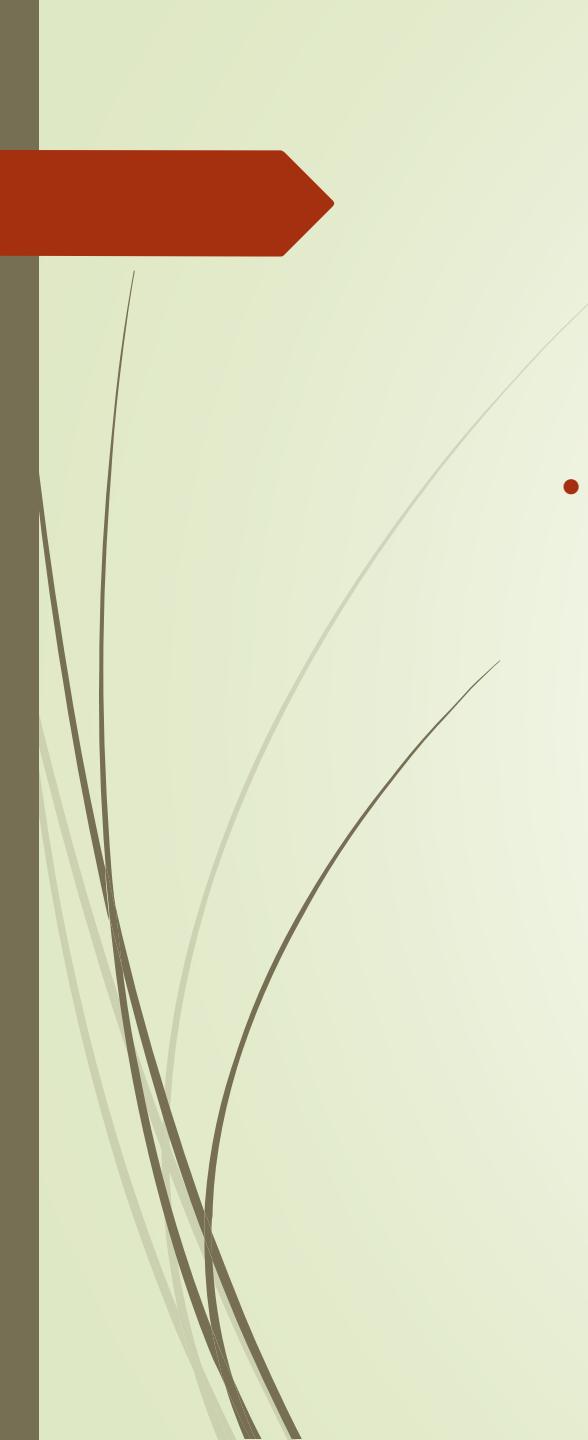
Iowa Child Support Guidelines

Summary of Changes



INTRODUCTION

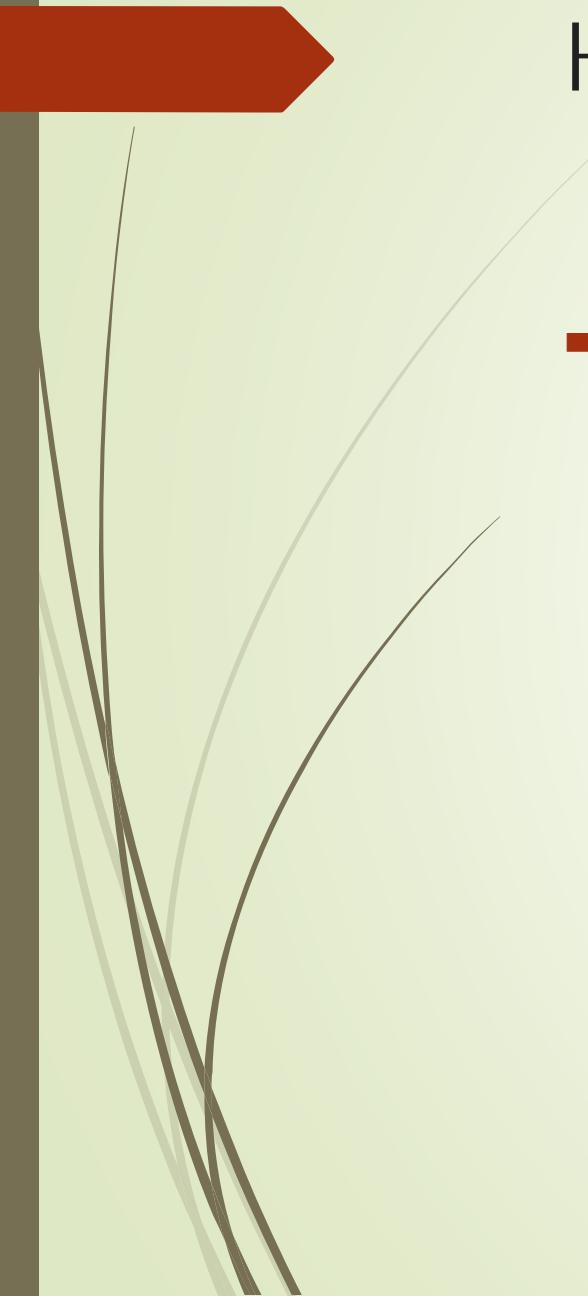
- Quadrennial Review
 - 42 USC §667(a)
 - 45 CFR §302.56
 - Iowa Code §598.21B(1)(a)
- Committee Appointed by Iowa Supreme Court
- Technical Consultant-Jane Venohr, Ph.D; Economist
- General Elements of Review
 - Compare Iowa's Guidelines to Surrounding States
 - Consider Economic data on cost of raising children
 - Analyze data on number of deviations from Guidelines



- Process
 - Findings and Recommendations of Child Support Advisory Committee
 - Public Comments submitted to CSAC
 - Comments from Judges
 - Correspondence from citizens submitted to Committee



- Final report to Iowa Supreme Court April 2017
- Adopted by the Supreme Court July 2017
- Effective Date January 1, 2018



HEALTH INSURANCE

- ▶ Redefine “allowable child(ren)’s portion of health insurance premium”
Amend Rule 9.14(5)(b)
 - Iowa Code §252E.1A requirements
 - Ordered to provide HI if accessible and reasonable in cost
 - Guidelines require proration of cost
 - Children’s portion = Family-Single
 - Two Primary Difficulties
 - Cost of “family coverage” often exceeds what parent actually paying which then increases or decreases the support obligation (depending on whether CP or NCP is ordered to provide the coverage)
 - Parent not carrying the HI may be subsidizing the HI costs of other parent’s family

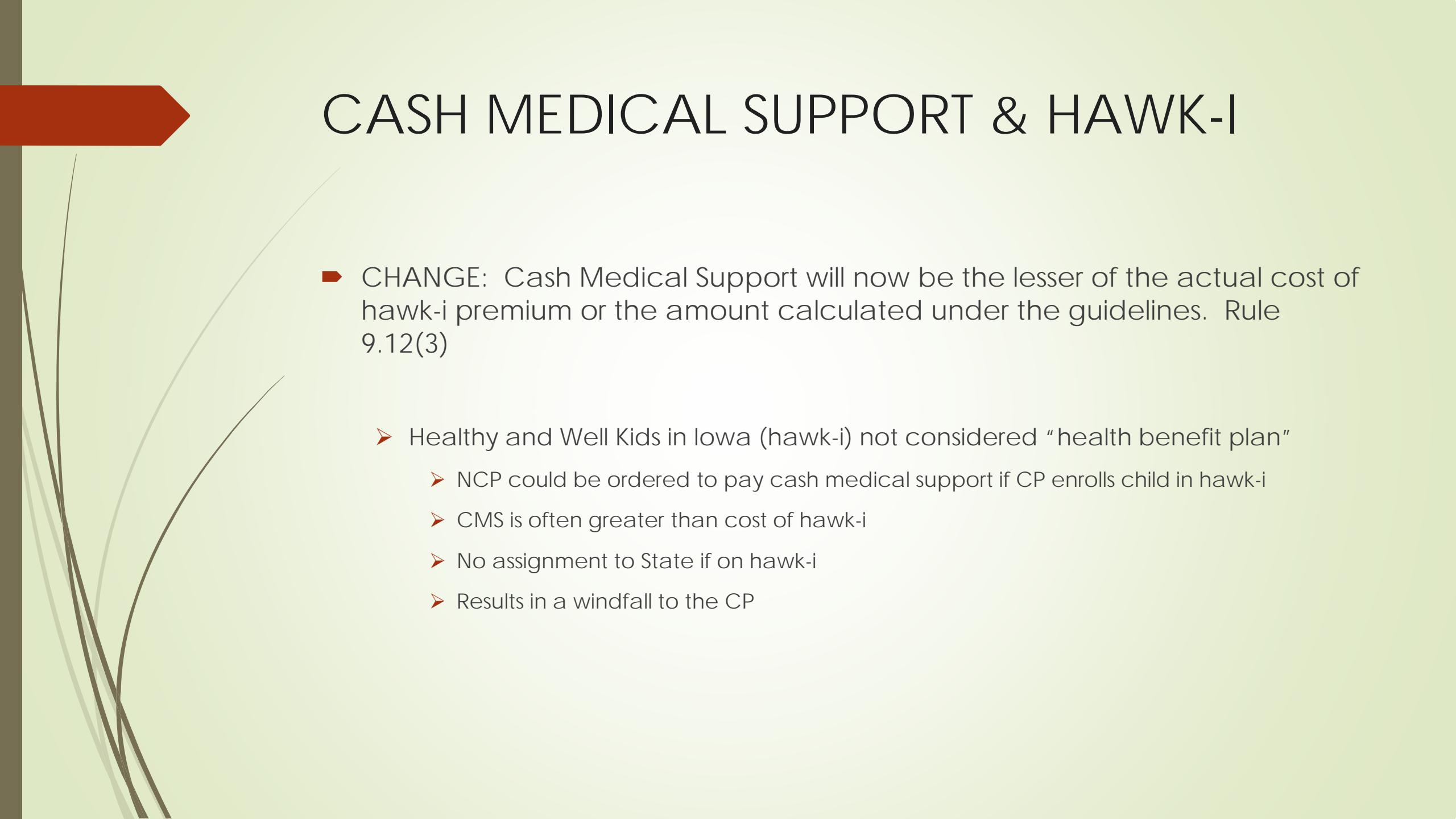
HEALTH INSURANCE (continued)

- ▶ Amend Rule 9.14(5)(b) as follows:
 - If HBP covers multiple individuals:
 - “Allowable child(ren)’s portion of the HI premium”
 - ~ equals ~
 - Premium cost of plan minus the premium cost for single coverage
 - Divided by the # of individuals enrolled *excluding* person providing the coverage
 - Multiplied by # of children who are subject of pending action



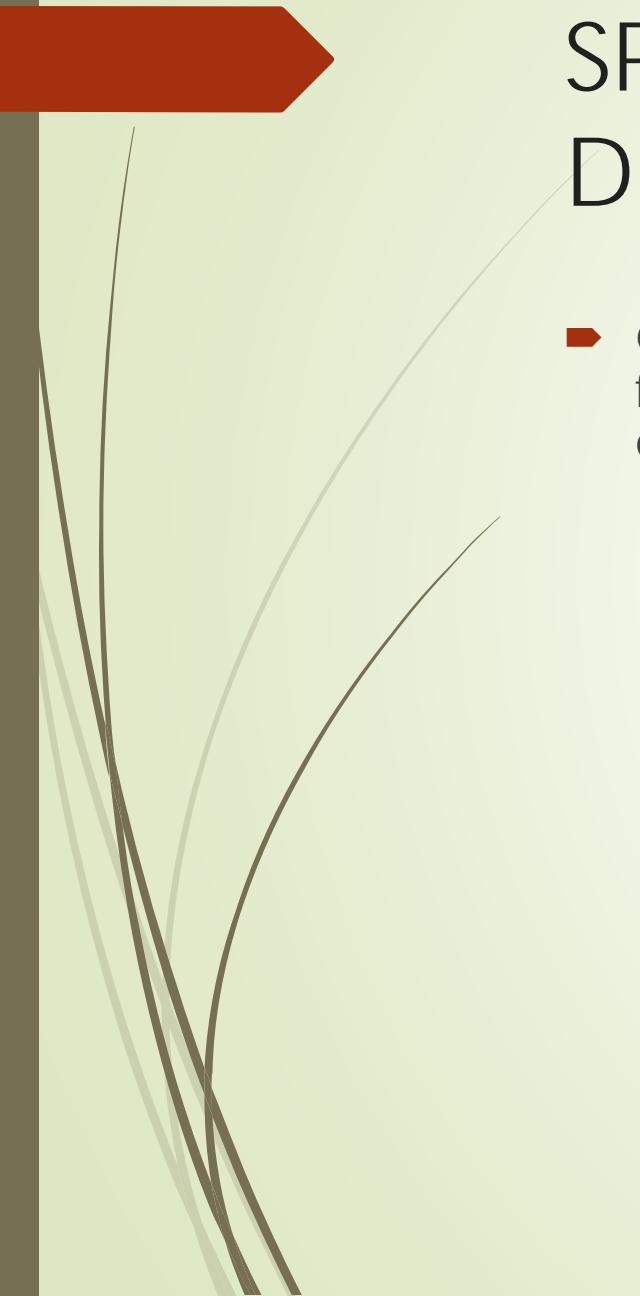
EXAMPLE

- ▶ Plan costs \$600 per month
- ▶ Covers parent, new spouse, child with new spouse and 2 children subject to the action (5 people total)
- ▶ Single plan=\$280
- ▶ $\$600 - \$280 = \$320$ divided by 4 (exclude parent) = $\$80 \times 2 = \160
- ▶ \$160 prorated between the parents



CASH MEDICAL SUPPORT & HAWK-I

- CHANGE: Cash Medical Support will now be the lesser of the actual cost of hawk-i premium or the amount calculated under the guidelines. Rule 9.12(3)
 - Healthy and Well Kids in Iowa (hawk-i) not considered "health benefit plan"
 - NCP could be ordered to pay cash medical support if CP enrolls child in hawk-i
 - CMS is often greater than cost of hawk-i
 - No assignment to State if on hawk-i
 - Results in a windfall to the CP



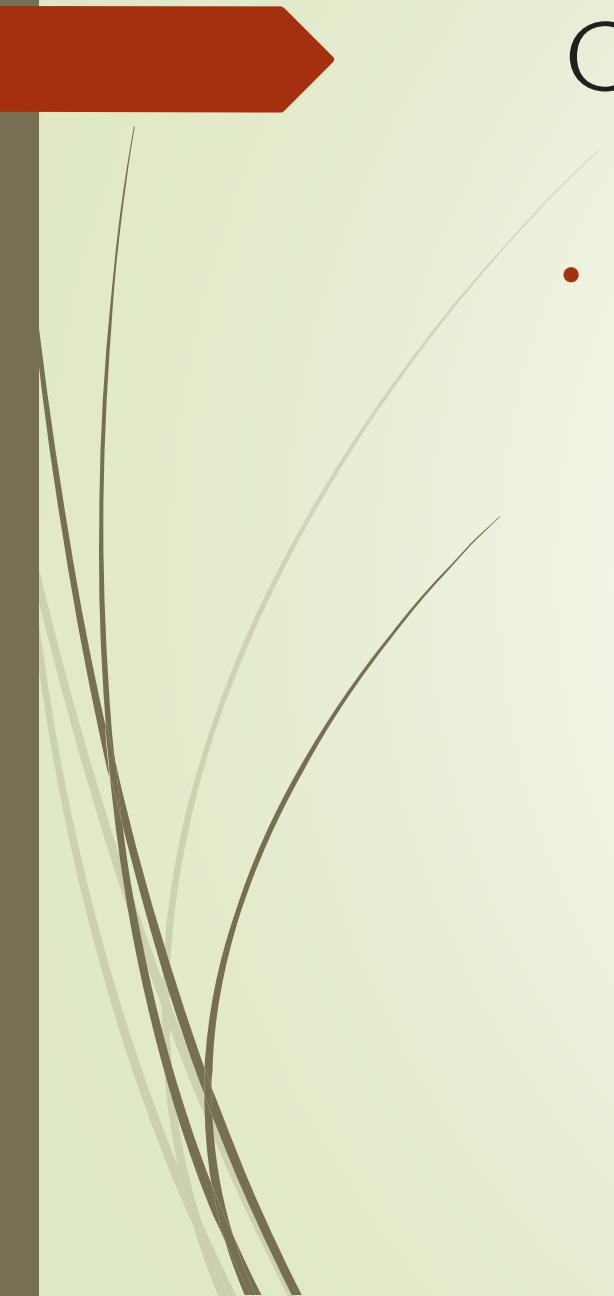
SPOUSAL SUPPORT & DEFINITION OF GROSS INCOME

- ▶ CHANGES: 1. Add definition of gross monthly income to rule 9.5; 2. Provide for inclusion of spousal support in income of recipient; 3. Provide for deduction from income of payor.
 - Current rule 9.5(8) only allows deduction for prior obligation
 - Supported by case law
 - Current rule ambiguous as to whether spousal support received is income
 - Current rule defines net monthly income but not gross income
 - Does not include reimbursement spousal support; only traditional or rehabilitative spousal support.
 - Determine first – before child support is calculated
 - Rule 9.5 Income. New subsections (1) Gross monthly income & (2) Net monthly income



CHILD CARE EXPENSES

- Background
 - Schedule does NOT account for child care expenses – removed from economic data
 - Deduction from gross income has minimal impact on support amount.
 - Iowa one of few states that does not address CC expenses in guidelines
 - CC expenses can be significant (average cost for infant is \$790 per month)
 - Current rule allowing variance based on child care expenses has not been utilized in any significant way. (Rule 9.11(2) was amended in last review)
 - Difficulties if require parents to share costs (e.g. pro-rating in proportion to income; treat like uninsured medical expense)

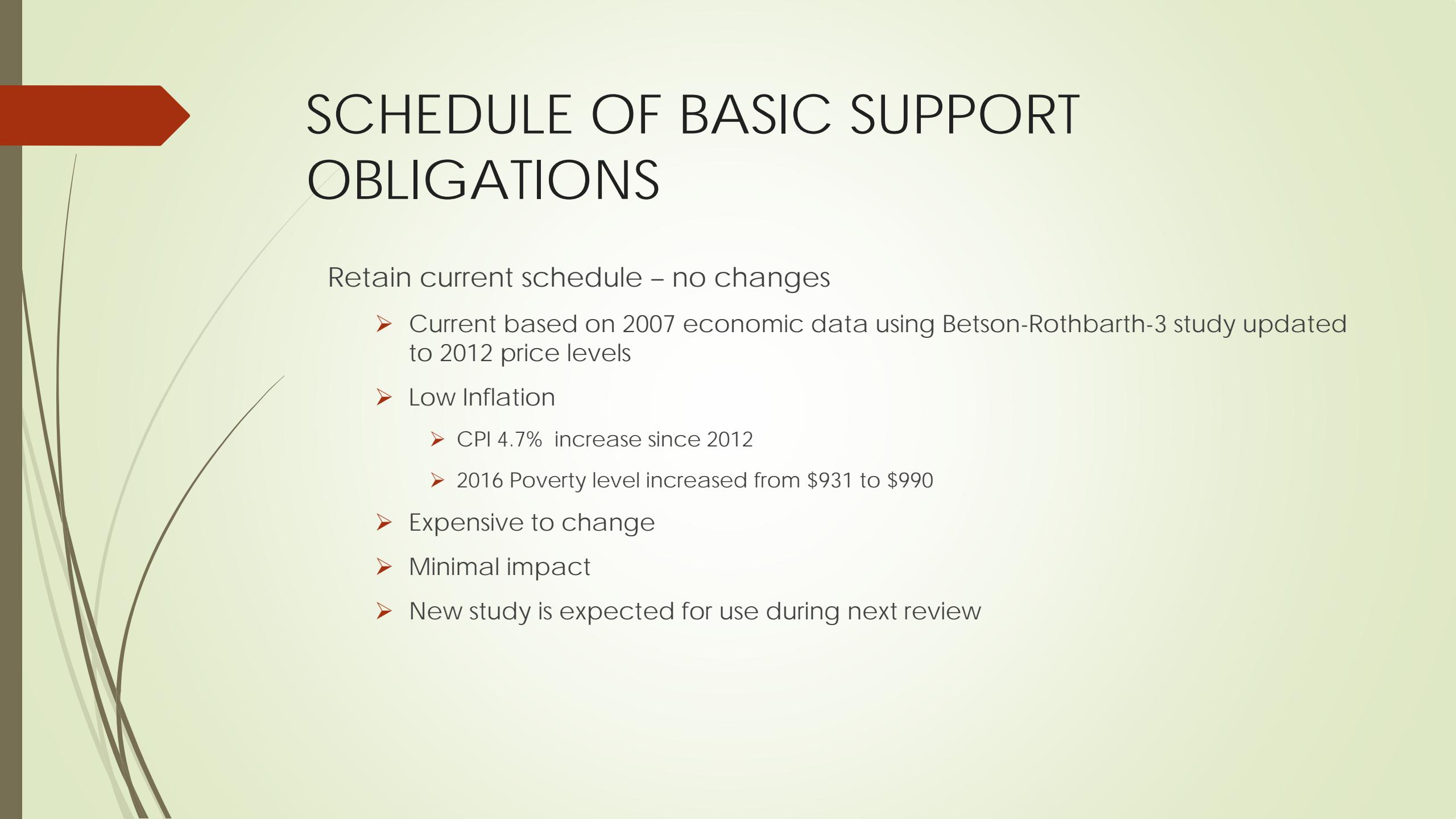


CHILD CARE EXPENSES (cont.)

- CHANGES:
 - Strike child care variance language in rule 9.11(2)
 - Adopt new rule to emphasize Court's ability to vary based on CC expenses-9.11A
 - Amend Rule 9.5(10) to reference definition of CC expenses in new rule
 - Rule 9.11A:
 - Court should consider fact that cc expenses are not included in economic data used to create the Schedule of Basic Support Obligations
 - "Child care expenses" are defined
 - If ordered, Court must specify amount of support, amount of variance and the combined amount
 - Rebuttable presumption –no variance for child who is 13
 - Rule does not apply to shared care orders or low-income obligors

STEP-DOWN SUPPORT AMOUNTS

- CHANGE: Rule 9.14 amended to state that for cases with multiple children, the order must include a step-down provision.
 - Automatically adjust child support amount
 - As the number of children entitled to support changes.
 - Will avoid need for modifications
 - *In re Marriage of Gustafson*, 03-1258, 2004 WL 793128 (Iowa Ct. App. Apr. 14, 2004)



SCHEDULE OF BASIC SUPPORT OBLIGATIONS

Retain current schedule – no changes

- Current based on 2007 economic data using Betson-Rothbarth-3 study updated to 2012 price levels
- Low Inflation
 - CPI 4.7% increase since 2012
 - 2016 Poverty level increased from \$931 to \$990
- Expensive to change
- Minimal impact
- New study is expected for use during next review



MODEL FOR CALCULATING SUPPORT

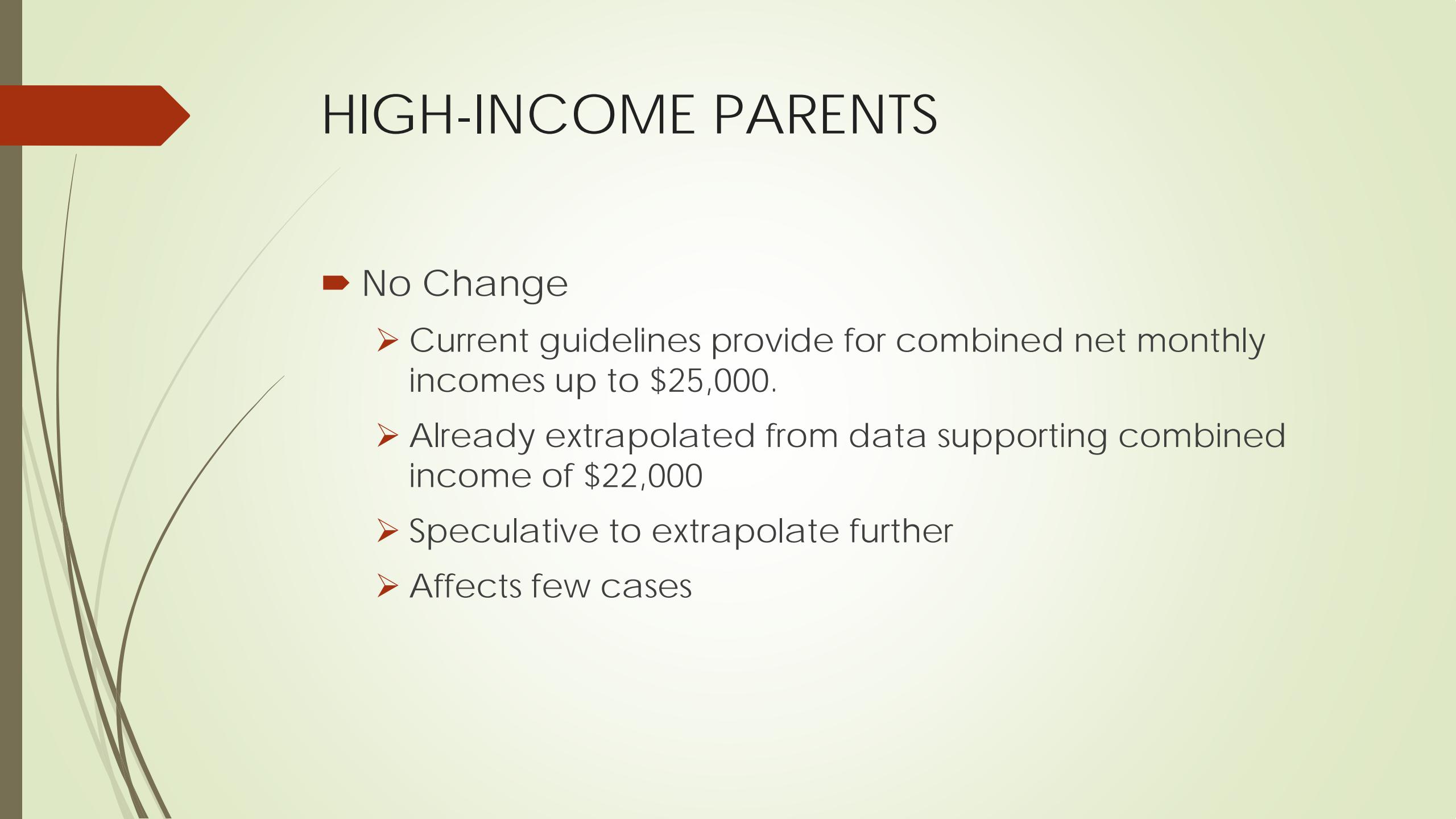
- Retains Pure Income Shares Model
 - Utilized since 2009
 - 39 states use
 - More equitable
 - Helped solve “notch effect”



MINIMUM SUPPORT AMOUNTS

► No change

- Current amounts are \$30 for one child and \$50 for two or more
- Represents public policy decision to use ability to pay-not needs of child(ren)
- Increased in 2012
- Low inflation
- Review when new economic study is available



HIGH-INCOME PARENTS

- ▶ No Change

- Current guidelines provide for combined net monthly incomes up to \$25,000.
- Already extrapolated from data supporting combined income of \$22,000
- Speculative to extrapolate further
- Affects few cases



GUIDELINES EDUCATION FOR PUBLIC

- ▶ RECOMMENDATION: Develop an educational video to inform parents about how guideline amounts are determined and the method for calculating support obligations
 - ISBA assisting in production
 - Distribute video to be used in CIM
 - Put on Court website
 - ISBA website
 - Script is being developed

UPDATED GRIDS AND WORKSHEETS

- CHANGE: Amend computation grids in Rule 9.14(1), 9.14(2) and 9.14(3) And worksheets in Rule 27
 - To correspond to changes to Rule 9.5 (spousal support)
 - To correspond to changes to Rule 9.14(5) (allowable child(ren)'s portion of HI premium)



RECENT CHANGES TO FEDERAL RULES

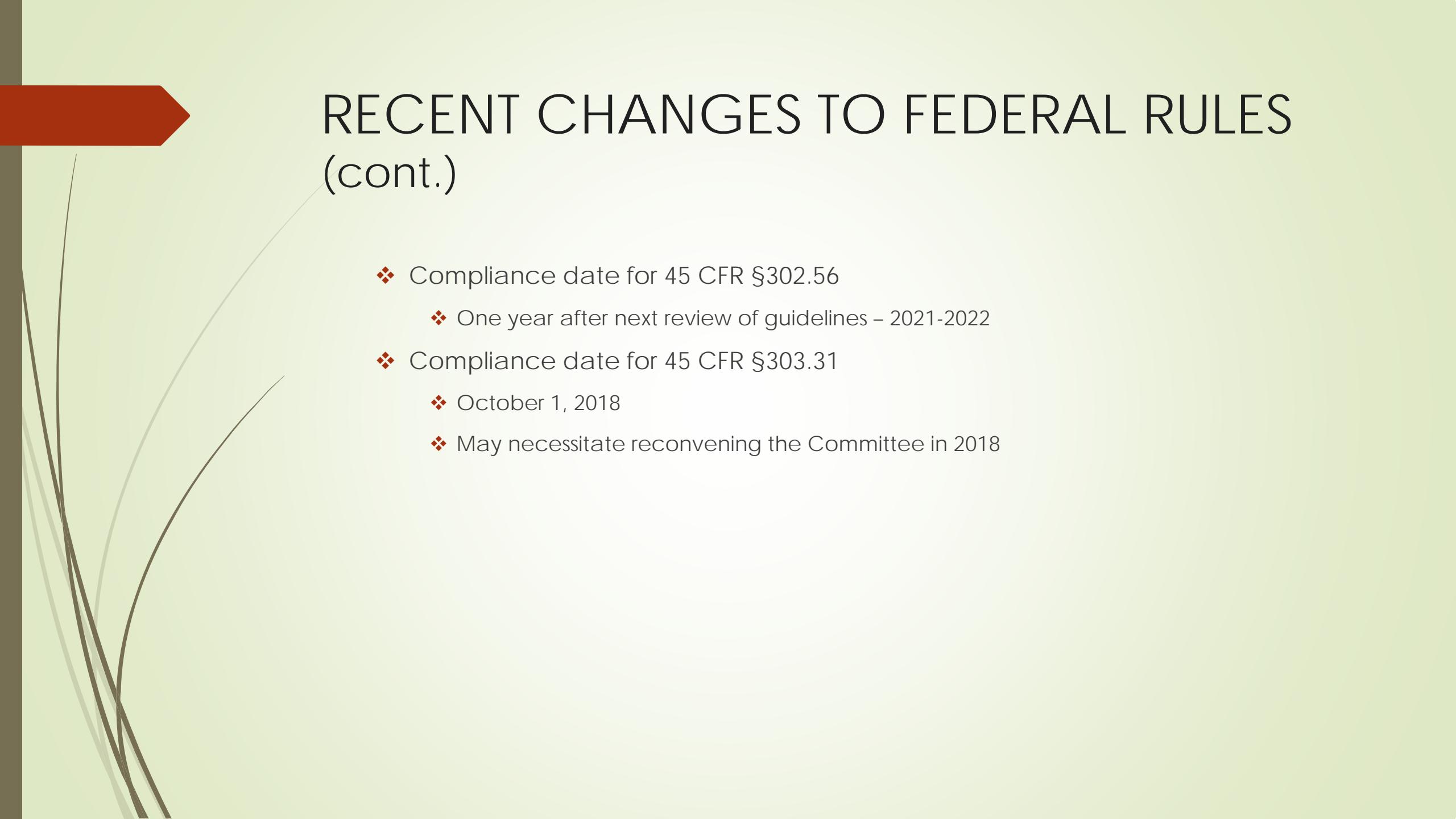
- ❖ 81 Fed.Reg. 93,492 (Dec. 20, 2016)- Flexibility, Efficiency, and Modernization in Child Support Enforcement Programs
- ❖ Rules affecting guidelines: 45 CFR §302.56 and §303.31
 - ❖ All State Guidelines will be required to take into consideration the basic subsistence need of NCP (we already do this)
 - ❖ All Guidelines will have to provide that incarceration may not be treated as voluntary unemployment
 - ❖ Review Committee Reports will have to be published on the internet as well as the membership of the reviewing body and the date of the next review



RECENT CHANGES TO FEDERAL RULES

(cont.)

- ❖ Rules affecting guidelines: 45 CFR §302.56 and §303.31 (cont.)
 - ❖ Added several things to consider when considering economic data on the cost of raising children- labor market data, local job markets, impact on family income below 200% of poverty
 - ❖ In addition to looking at the deviation rate must analyze data such as rates of default and imputed CS orders and orders determined using the low-income adjustment. Must also include a comparison of payments on CS orders by case characteristics
 - ❖ §303.31- Health care coverage will include *public* health care coverage
 - ❖ Iowa Code § 252E.1A will probably have to be amended



RECENT CHANGES TO FEDERAL RULES

(cont.)

- ❖ Compliance date for 45 CFR §302.56
 - ❖ One year after next review of guidelines – 2021-2022
- ❖ Compliance date for 45 CFR §303.31
 - ❖ October 1, 2018
 - ❖ May necessitate reconvening the Committee in 2018