

## Child Support Task Force Meeting: June 28<sup>th</sup>, 2017

### Regional Differences in Cost of Living

According to a report prepared by Dr. Jane Venohr for the State of Virginia in 2012, no state varies its guidelines within the state for geographical differences in the cost of living. Until the early 1990's, some California counties had guidelines that varied from the statewide guidelines. However, the federal Office of Child Support Enforcement (OCSE) notified California that federal regulations require states to have one set of state guidelines to be used throughout the state when setting child support orders. California subsequently adopted one uniform state guideline.

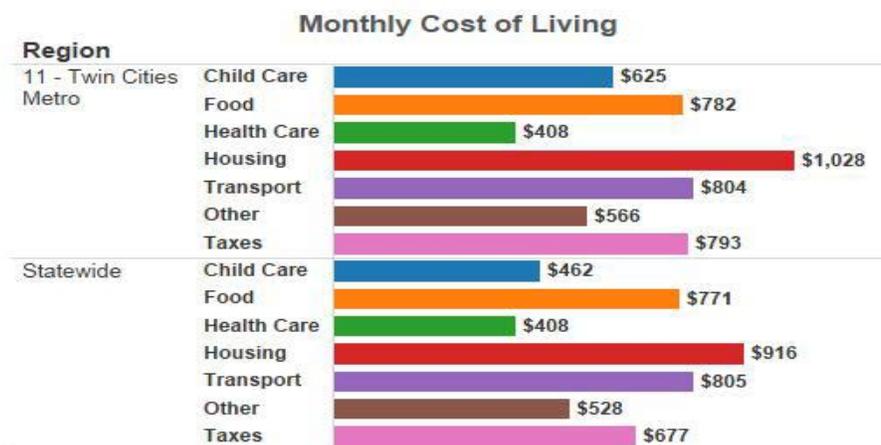
While there are no states that use state-specific data for the basis of their guidelines, many states do make adjustments to the national estimates for their relatively high or low costs of living. For instance, California, Connecticut, New Jersey and Rhode Island make upward adjustments, while South Dakota makes a downward adjustment.

For more info, visit: <http://dls.virginia.gov/GROUPS/childsupport/meetings/110512/issues%20briefing.pdf>

The current Minnesota child support guidelines use the USDA estimates for the costs of child rearing. The USDA divides its estimates into two sets, urban and rural, and then into four geographic regions: Northeast, South, Midwest and West. Minnesota's child support guidelines use the urban Midwest estimates.

For more info, visit: <https://www.cnpp.usda.gov/sites/default/files/crc2015.pdf>

To see the differences between the costs of living in the metropolitan region of Minnesota compared to the average cost of living across the state, you will find below the monthly cost of living estimates for a typical family of two adults and one child, with one adult working full-time and one working part-time. Table is provided by the Minnesota Dept. of Employment and Economic Development's (DEED) Annual Cost of Living Report for 2016.



Minnesota DEED, Labor Market Information, Cost of Living Study 2016

For more info, please visit: <https://www.leg.state.mn.us/docs/2016/mandated/160558.pdf>

## Deductions Made for 3 or More Nonjoint Children

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Under Minnesota's current guidelines, credit is given to either party for nonjoint children in their home, but the deduction is capped at two nonjoint children per party. Other states also incorporate deductions for nonjoint children in calculating child support, but they approach this issue in a variety of ways. Below you will find some examples.

- Iowa allows the deduction from gross monthly income of a prior ordered obligation actually paid or the qualified additional dependent amount. The qualified additional dependent deductions applies to children for whom a parent demonstrates a legal obligation. The monthly deduction for qualified additional dependents of a parent (custodial or noncustodial) is:
  - 8% of the parent's gross monthly income (to a maximum of \$800 per month) for one (1) child
  - 12% of the parent's gross monthly income (to a maximum of \$1200 per month) for two (2) children.
  - 14% of the parent's gross monthly income (to a maximum of \$1400 per month) for three (3) children.
  - 15% of the parent's gross monthly income (to a maximum of \$1500 per month) for four (4) children.
  - 16% of the parent's gross monthly income (to a maximum of \$1600 per month) for five (5) or more children. See IA Court Rules 9.7 and 9.8.
- Nevada has no set deduction, rather the court shall consider the legal responsibility of the parents for the support of others. The deviation must be justified by a finding of fact. See NRS 125B.080(9)(e).
- Oregon gives credit for support of nonjoint children, both in a parent's household and for whom a parent has a court or administrative order. A nonjoint child is the legal child of one but not both parents subject to the support determination; specifically excludes stepchildren. Determine the basic support amount for the total nonjoint children of the parent for whom the credit is being calculated using the guidelines, then subtract this amount from the parent's modified gross income. See OAR 137-050-0400 and 137-050-0490.
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- Pennsylvania considers other support obligations of the parties to be a factor for possible deviation. If obligor's total support obligations are equal to or less than 50% of obligor's net income, no deviation for the new child is allowed. If the total obligations are more than 50% of obligor's net income, the court may consider a proportional reduction in the obligations. Neither the first nor second family is to receive a preference. The court should not divide the guideline amount for all children among the households. See Pa. R. Civ. Pro. Rule 1910.16-5 and Rule 1910.16-7.
- South Dakota deducts payments made on other support orders from gross income while determining the basic support obligation. Either parent's obligation to provide for subsequent children is a factor to be considered for a deviation from the guideline basic support. See SDCL 25-7-6.7 and 25-6.10.

For a survey of how all 50 states plus District of Columbia and Guam adjust for nonjoint children in the calculation of child support guidelines, please visit:

<https://www.dshs.wa.gov/sites/default/files/ESA/dcs/documents/Additional%20Children%20matrix%202014.pdf>

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