

State of Minnesota

H. F. No. 981

A person who fails to pay court-ordered child support or maintenance may be charged with a crime, which may include misdemeanor, gross misdemeanor, or felony charges, according to Minnesota Statutes, section 609.375. A copy of that section is available from any district court clerk.

4. RULES OF SUPPORT, MAINTENANCE, PARENTING TIME

(a) Payment of support or spousal maintenance is to be as ordered, and the giving of gifts or making purchases of food, clothing, and the like will not fulfill the obligation.

(b) Payment of support must be made as it becomes due, and failure to secure or denial of parenting time is NOT an excuse for nonpayment, but the aggrieved party must seek relief through a proper motion filed with the court.

(c) Nonpayment of support is not grounds to deny parenting time. The party entitled to receive support may apply for support and collection services, file a contempt motion, or obtain a judgment as provided in Minnesota Statutes, section 548.091.

(d) The payment of support or spousal maintenance takes priority over payment of debts and other obligations.

(e) A party who accepts additional obligations of support does so with the full knowledge of the party's prior obligation under this proceeding.

(f) Child support or maintenance is based on annual income, and it is the responsibility of a person with seasonal employment to budget income so that payments are made throughout the year as ordered.

(g) Reasonable parenting time guidelines are contained in Appendix B, which is available from the court administrator.

(h) The nonpayment of support may be enforced through the denial of student grants; interception of state and federal tax refunds; suspension of driver's, recreational, and occupational licenses; referral to the department of revenue or private collection agencies; seizure of assets, including bank accounts and other assets held by financial institutions; reporting to credit bureaus; interest charging, income withholding, and contempt proceedings; and other enforcement methods allowed by law.

(i) The public authority may suspend or resume collection of the amount allocated for child care expenses if the conditions of Minnesota Statutes, section 518A.40, subdivision 4, are met.

(j) The public authority may remove or resume a medical support offset if the conditions of Minnesota Statutes, section 518A.41, subdivision 16, are met.

~~(k) The public authority may suspend or resume interest charging on child support judgments if the conditions of Minnesota Statutes, section 548.091, subdivision 1a, are met.~~

5. MODIFYING CHILD SUPPORT

If either the obligor or obligee is laid off from employment or receives a pay reduction, child support may be modified, increased, or decreased. Any modification will only take effect when it is ordered by the court, and will only relate back to the time that a motion is filed. Either the obligor or obligee may file a motion to modify child support, and may request the public agency for help. UNTIL A MOTION IS FILED, THE CHILD SUPPORT OBLIGATION WILL CONTINUE AT THE CURRENT LEVEL. THE COURT IS NOT PERMITTED TO REDUCE SUPPORT RETROACTIVELY.

6. PARENTAL RIGHTS FROM MINNESOTA STATUTES, SECTION 518.17, SUBDIVISION 3

Unless otherwise provided by the Court:

(a) Each party has the right of access to, and to receive copies of, school, medical, dental, religious training, and other important records and information about the minor children. Each party has the right of access to information regarding health or dental insurance available to the minor children. Presentation of a copy of this order to the custodian of a record or other information about the minor children constitutes sufficient authorization for the release of the record or information to the requesting party.

(b) Each party shall keep the other informed as to the name and address of the school of attendance of the minor children. Each party has the right to be informed by school officials about the children's welfare, educational progress and status, and to attend school and parent teacher conferences. The school is not required to hold a separate conference for each party.

(c) In case of an accident or serious illness of a minor child, each party shall notify the other party of the accident or illness, and the name of the health care provider and the place of treatment.

(d) Each party has the right of reasonable access and telephone contact with the minor children.

7. WAGE AND INCOME DEDUCTION OF SUPPORT AND MAINTENANCE

Child support and/or spousal maintenance may be withheld from income, with or without notice to the person obligated to pay, when the conditions of Minnesota Statutes, section 518A.53 have been met. A copy of those sections is available from any district court clerk.

8. CHANGE OF ADDRESS OR RESIDENCE

Unless otherwise ordered, each party shall notify the other party, the court, and the public authority responsible for collection, if applicable, of the following information within ten days of any change: the residential and mailing address, telephone number, driver's license number, Social Security number, and name, address, and telephone number of the employer.

9. COST OF LIVING INCREASE OF SUPPORT AND MAINTENANCE

Basic support and/or spousal maintenance may be adjusted every two years based upon a change in the cost of living (using Department of Labor Consumer Price Index, unless otherwise specified in this order) when the conditions of Minnesota Statutes, section 518A.75, are met. Cost of living increases are compounded. A copy of Minnesota Statutes, section 518A.75, and forms necessary to request or contest a cost of living increase are available from any district court clerk.

10. JUDGMENTS FOR UNPAID SUPPORT

If a person fails to make a child support payment, the payment owed becomes a judgment against the person responsible to make the payment by operation of law on or after the date the payment is due, and the person entitled to receive the payment or the public agency may obtain entry and docketing of the judgment WITHOUT NOTICE to the person responsible to make the payment under Minnesota Statutes, section 548.091. ~~Interest begins to accrue on a payment or installment of child support whenever the unpaid amount due is greater than the current support due, according to Minnesota Statutes, section 548.091, subdivision 1a.~~

11. JUDGMENTS FOR UNPAID MAINTENANCE

(a) A judgment for unpaid spousal maintenance may be entered when the conditions of Minnesota Statutes, section 548.091, are met. A copy of that section is available from any district court clerk.

(b) The public authority is not responsible for calculating interest on any judgment for unpaid spousal maintenance. When providing services in IV-D cases, as defined in Minnesota Statutes, section 518A.26, subdivision 10, the public authority will only

5.1 collect interest on spousal maintenance if spousal maintenance is reduced to a sum
5.2 certain judgment.

5.3 12. ATTORNEY FEES AND COLLECTION COSTS FOR ENFORCEMENT OF CHILD
5.4 SUPPORT

5.5 A judgment for attorney fees and other collection costs incurred in enforcing a child
5.6 support order will be entered against the person responsible to pay support when the
5.7 conditions of Minnesota Statutes, section 518A.735, are met. A copy of Minnesota
5.8 Statutes, sections 518.14 and 518A.735 and forms necessary to request or contest these
5.9 attorney fees and collection costs are available from any district court clerk.

5.10 13. PARENTING TIME EXPEDITOR PROCESS

5.11 On request of either party or on its own motion, the court may appoint a parenting time
5.12 expeditor to resolve parenting time disputes under Minnesota Statutes, section 518.1751.
5.13 A copy of that section and a description of the expeditor process is available from any
5.14 district court clerk.

5.15 14. PARENTING TIME REMEDIES AND PENALTIES

5.16 Remedies and penalties for the wrongful denial of parenting time are available under
5.17 Minnesota Statutes, section 518.175, subdivision 6. These include compensatory parenting
5.18 time; civil penalties; bond requirements; contempt; and reversal of custody. A copy of
5.19 that subdivision and forms for requesting relief are available from any district court
5.20 clerk.

5.21 **EFFECTIVE DATE.** This section is effective August 1, 2022.

5.22 Sec. 2. Minnesota Statutes 2020, section 548.091, subdivision 1a, is amended to read:

5.23 Subd. 1a. **Child support judgment by operation of law.** ~~(a)~~ Any payment or installment
5.24 of support required by a judgment or decree of dissolution or legal separation, determination
5.25 of parentage, an order under chapter 518C, an order under section 256.87, or an order under
5.26 section 260B.331 or 260C.331, that is not paid or withheld from the obligor's income as
5.27 required under section 518A.53, or which is ordered as child support by judgment, decree,
5.28 or order by a court in any other state, is a judgment by operation of law on and after the
5.29 date it is due, is entitled to full faith and credit in this state and any other state, and shall be
5.30 entered and docketed by the court administrator on the filing of affidavits as provided in
5.31 subdivision 2a. ~~Except as otherwise provided by paragraphs (b) and (c), interest accrues~~
5.32 ~~from the date the unpaid amount due is greater than the current support due at the annual~~
5.33 ~~rate provided in section 549.09, subdivision 1, not to exceed an annual rate of 18 percent.~~

A payment or installment of support that becomes a judgment by operation of law between the date on which a party served notice of a motion for modification under section 518A.39, subdivision 2, and the date of the court's order on modification may be modified under that subdivision. Interest does not accrue on a judgment for child support, confinement and pregnancy expenses, or genetic testing fees.

~~(b) Notwithstanding the provisions of section 549.09, upon motion to the court and upon proof by the obligor of 12 consecutive months of complete and timely payments of both current support and court-ordered paybacks of a child support debt or arrearage, the court may order interest on the remaining debt or arrearage to stop accruing. Timely payments are those made in the month in which they are due. If, after that time, the obligor fails to make complete and timely payments of both current support and court-ordered paybacks of child support debt or arrearage, the public authority or the obligee may move the court for the reinstatement of interest as of the month in which the obligor ceased making complete and timely payments.~~

~~The court shall provide copies of all orders issued under this section to the public authority. The state court administrator shall prepare and make available to the court and the parties forms to be submitted by the parties in support of a motion under this paragraph.~~

~~(c) Notwithstanding the provisions of section 549.09, upon motion to the court, the court may order interest on a child support debt or arrearage to stop accruing where the court finds that the obligor is:~~

~~(1) unable to pay support because of a significant physical or mental disability;~~

~~(2) a recipient of Supplemental Security Income (SSI), Title II Older Americans Survivor's Disability Insurance (OASDI), other disability benefits, or public assistance based upon need; or~~

~~(3) institutionalized or incarcerated for at least 30 days for an offense other than nonsupport of the child or children involved, and is otherwise financially unable to pay support.~~

~~(d) If the conditions in paragraph (c) no longer exist, upon motion to the court, the court may order interest accrual to resume retroactively from the date of service of the motion to resume the accrual of interest.~~

~~(e) Notwithstanding section 549.09, the public authority must suspend the charging of interest when:~~

~~(1) the obligor makes a request to the public authority that the public authority suspend the charging of interest;~~

~~(2) the public authority provides full IV-D child support services; and~~

~~(3) the obligor has made, through the public authority, 12 consecutive months of complete and timely payments of both current support and court-ordered paybacks of a child support debt or arrearage.~~

~~Timely payments are those made in the month in which they are due.~~

~~Interest charging must be suspended on the first of the month following the date of the written notice of the public authority's action to suspend the charging of interest. If, after interest charging has been suspended, the obligor fails to make complete and timely payments of both current support and court-ordered paybacks of child support debt or arrearage, the public authority may resume the charging of interest as of the first day of the month in which the obligor ceased making complete and timely payments.~~

~~The public authority must provide written notice to the parties of the public authority's action to suspend or resume the charging of interest. The notice must inform the parties of the right to request a hearing to contest the public authority's action. The notice must be sent by first class mail to the parties' last known addresses.~~

~~A party may contest the public authority's action to suspend or resume the charging of interest if the party makes a written request for a hearing within 30 days of the date of written notice. If a party makes a timely request for a hearing, the public authority must schedule a hearing and send written notice of the hearing to the parties by mail to the parties' last known addresses at least 14 days before the hearing. The hearing must be conducted in district court or in the expedited child support process if section 484.702 applies. The district court or child support magistrate must determine whether suspending or resuming the interest charging is appropriate and, if appropriate, the effective date.~~

EFFECTIVE DATE. This section is effective August 1, 2022.

Sec. 3. Minnesota Statutes 2020, section 548.091, subdivision 2a, is amended to read:

Subd. 2a. **Entry and docketing of child support judgment.** (a) On or after the date an unpaid amount becomes a judgment by operation of law under subdivision 1a, the obligee or the public authority may file with the court administrator:

(1) a statement identifying, or a copy of, the judgment or decree of dissolution or legal separation, determination of parentage, order under chapter 518B or 518C, an order under

section 256.87, an order under section 260B.331 or 260C.331, or judgment, decree, or order for child support by a court in any other state, which provides for periodic installments of child support, or a judgment or notice of attorney fees and collection costs under section 518A.735;

(2) an affidavit of default. The affidavit of default must state the full name, occupation, place of residence, and last known post office address of the obligor, the name of the obligee, the date or dates payment was due and not received and judgment was obtained by operation of law, the total amount of the judgments to be entered and docketed; and

(3) an affidavit of service of a notice of intent to enter and docket judgment and to recover attorney fees and collection costs on the obligor, in person or by first class mail at the obligor's last known post office address. Service is completed upon mailing in the manner designated. Where applicable, a notice of interstate lien in the form promulgated under United States Code, title 42, section 652(a), is sufficient to satisfy the requirements of clauses (1) and (2).

(b) A judgment entered and docketed under this subdivision has the same effect and is subject to the same procedures, defenses, and proceedings as any other judgment in district court, and may be enforced or satisfied in the same manner as judgments under section 548.09, except as otherwise provided.

(c) A judgment entered and docketed under this subdivision is not subject to interest charging or accrual.

EFFECTIVE DATE. This section is effective August 1, 2022.

Sec. 4. Minnesota Statutes 2020, section 548.091, subdivision 3b, is amended to read:

Subd. 3b. **Child support judgment administrative renewals.** Child support judgments may be renewed by service of notice upon the debtor. Service must be by first class mail at the last known address of the debtor, with service deemed complete upon mailing in the manner designated, or in the manner provided for the service of civil process. Upon the filing of the notice and proof of service, the court administrator shall administratively renew the judgment for child support without any additional filing fee in the same court file as the original child support judgment. The judgment must be renewed in an amount equal to the unpaid principal plus the ~~accrued~~ unpaid interest accrued prior to August 1, 2022. Child support judgments may be renewed multiple times until paid.

EFFECTIVE DATE. This section is effective August 1, 2022.

9.1 Sec. 5. Minnesota Statutes 2020, section 548.091, subdivision 9, is amended to read:

9.2 Subd. 9. **Payoff statement.** The public authority shall issue to the obligor, attorneys,
9.3 lenders, and closers, or their agents, a payoff statement setting forth conclusively the amount
9.4 necessary to satisfy the lien. Payoff statements must be issued within three business days
9.5 after receipt of a request by mail, personal delivery, telefacsimile, or electronic mail
9.6 transmission, and must be delivered to the requester by telefacsimile or electronic mail
9.7 transmission if requested and if appropriate technology is available to the public authority.
9.8 If the payoff statement includes amounts for unpaid maintenance, the statement shall specify
9.9 that the public authority does not calculate accrued interest and that an interest balance in
9.10 addition to the payoff statement may be owed.

9.11 **EFFECTIVE DATE.** This section is effective August 1, 2022.

9.12 Sec. 6. Minnesota Statutes 2020, section 548.091, subdivision 10, is amended to read:

9.13 Subd. 10. **Release of lien.** Upon payment of the child support amount due, the public
9.14 authority shall execute and deliver a satisfaction of the judgment lien within five business
9.15 days. The public authority is not responsible for satisfaction of judgments for unpaid
9.16 maintenance.

9.17 **EFFECTIVE DATE.** This section is effective August 1, 2022.

9.18 Sec. 7. Minnesota Statutes 2020, section 549.09, subdivision 1, is amended to read:

9.19 Subdivision 1. **When owed; rate.** (a) When a judgment or award is for the recovery of
9.20 money, including a judgment for the recovery of taxes, interest from the time of the verdict,
9.21 award, or report until judgment is finally entered shall be computed by the court administrator
9.22 or arbitrator as provided in paragraph (c) and added to the judgment or award.

9.23 (b) Except as otherwise provided by contract or allowed by law, preverdict, preaward,
9.24 or prereport interest on pecuniary damages shall be computed as provided in paragraph (c)
9.25 from the time of the commencement of the action or a demand for arbitration, or the time
9.26 of a written notice of claim, whichever occurs first, except as provided herein. The action
9.27 must be commenced within two years of a written notice of claim for interest to begin to
9.28 accrue from the time of the notice of claim. If either party serves a written offer of settlement,
9.29 the other party may serve a written acceptance or a written counteroffer within 30 days.
9.30 After that time, interest on the judgment or award shall be calculated by the judge or arbitrator
9.31 in the following manner. The prevailing party shall receive interest on any judgment or
9.32 award from the time of commencement of the action or a demand for arbitration, or the time

of a written notice of claim, or as to special damages from the time when special damages were incurred, if later, until the time of verdict, award, or report only if the amount of its offer is closer to the judgment or award than the amount of the opposing party's offer. If the amount of the losing party's offer was closer to the judgment or award than the prevailing party's offer, the prevailing party shall receive interest only on the amount of the settlement offer or the judgment or award, whichever is less, and only from the time of commencement of the action or a demand for arbitration, or the time of a written notice of claim, or as to special damages from when the special damages were incurred, if later, until the time the settlement offer was made. Subsequent offers and counteroffers supersede the legal effect of earlier offers and counteroffers. For the purposes of clause (2), the amount of settlement offer must be allocated between past and future damages in the same proportion as determined by the trier of fact. Except as otherwise provided by contract or allowed by law, preverdict, preaward, or prereport interest shall not be awarded on the following:

(1) judgments, awards, or benefits in workers' compensation cases, but not including third-party actions;

(2) judgments or awards for future damages;

(3) punitive damages, fines, or other damages that are noncompensatory in nature;

(4) judgments or awards not in excess of the amount specified in section 491A.01; and

(5) that portion of any verdict, award, or report which is founded upon interest, or costs, disbursements, attorney fees, or other similar items added by the court or arbitrator.

(c)(1)(i) For a judgment or award of \$50,000 or less or a judgment or award for or against the state or a political subdivision of the state, regardless of the amount, or a judgment or award in a family court action, except for a child support judgment, regardless of the amount, the interest shall be computed as simple interest per annum. The rate of interest shall be based on the secondary market yield of one year United States Treasury bills, calculated on a bank discount basis as provided in this section.

On or before the 20th day of December of each year the state court administrator shall determine the rate from the one-year constant maturity treasury yield for the most recent calendar month, reported on a monthly basis in the latest statistical release of the board of governors of the Federal Reserve System. This yield, rounded to the nearest one percent, or four percent, whichever is greater, shall be the annual interest rate during the succeeding calendar year. The state court administrator shall communicate the interest rates to the court administrators and sheriffs for use in computing the interest on verdicts and shall make the interest rates available to arbitrators.

11.1 This item applies to any section that references section 549.09 by citation for the purposes
11.2 of computing an interest rate on any amount owed to or by the state or a political subdivision
11.3 of the state, regardless of the amount.

11.4 (ii) The court, in a family court action, may order a lower interest rate or no interest rate
11.5 if the parties agree or if the court makes findings explaining why application of a lower
11.6 interest rate or no interest rate is necessary to avoid causing an unfair hardship to the debtor.
11.7 This item does not apply to child support or spousal maintenance judgments subject to
11.8 section 548.091.

11.9 (2) For a judgment or award over \$50,000, other than a judgment or award for or against
11.10 the state or a political subdivision of the state or a judgment or award in a family court
11.11 action, the interest rate shall be ten percent per year until paid.

11.12 (3) When a judgment creditor, or the judgment creditor's attorney or agent, has received
11.13 a payment after entry of judgment, whether the payment is made voluntarily by or on behalf
11.14 of the judgment debtor, or is collected by legal process other than execution levy where a
11.15 proper return has been filed with the court administrator, the judgment creditor, or the
11.16 judgment creditor's attorney, before applying to the court administrator for an execution
11.17 shall file with the court administrator an affidavit of partial satisfaction. The affidavit must
11.18 state the dates and amounts of payments made upon the judgment after the most recent
11.19 affidavit of partial satisfaction filed, if any; the part of each payment that is applied to taxable
11.20 disbursements and to accrued interest and to the unpaid principal balance of the judgment;
11.21 and the accrued, but the unpaid interest owing, if any, after application of each payment.

11.22 (4) Interest shall not accrue on child support judgments.

11.23 (d) This section does not apply to arbitrations between employers and employees under
11.24 chapter 179 or 179A. An arbitrator is neither required to nor prohibited from awarding
11.25 interest under chapter 179 or under section 179A.16 for essential employees.

11.26 (e) For purposes of this subdivision:

11.27 (1) "state" includes a department, board, agency, commission, court, or other entity in
11.28 the executive, legislative, or judicial branch of the state; and

11.29 (2) "political subdivision" includes a town, statutory or home rule charter city, county,
11.30 school district, or any other political subdivision of the state.

11.31 **EFFECTIVE DATE.** This section is effective August 1, 2022.