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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. 3406

03/08/2018 Authored by Scott
The bill was read for the first time and referred to the Committee on Civil Law and Data Practices Policy
03/19/2018 Adoption of Report: Re-referred to the Committee on Health and Human Services Finance

1.1 A bill for an act
1.2 relating to child support; modifying provisions relating to potential income
1.3 determinations and reporting of arrears; amending Minnesota Statutes 2016, sections
1.4 518A.32, subdivision 3; 518A.685.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2016, section 518A.32, subdivision 3, is amended to read:

1.7 Subd. 3. Parent not considered voluntarily unemployed, underemployed, or employed
1.8 on a less than full-time basis. A parent is not considered voluntarily unemployed,
1.9 underemployed, or employed on a less than full-time basis upon a showing by the parent
1.10 that:

1.11 (1) the unemployment, underemployment, or employment on a less than full-time basis
1.12 is temporary and will ultimately lead to an increase in income;

1.13 (2) the unemployment, underemployment, or employment on a less than full-time basis
1.14 represents a bona fide career change that outweighs the adverse effect of that parent's
1.15 diminished income on the child; or

1.16 (3) the unemployment, underemployment, or employment on a less than full-time basis
1.17 is because a parent is physically or mentally incapacitated or due to incarceration, except
1.18 where the reason for incarceration is the parent's nonpayment of support; or

1.19 (4) the parent has been determined by an authorized government agency to be eligible
1.20 to receive general assistance or Supplemental Security Income payments. Any income, not
1.21 including public assistance payments, earned by the parent who is eligible for general
1.22 assistance or Supplemental Security Income payments may be considered for the purpose
1.23 of calculating child support.

2.1 Sec. 2. Minnesota Statutes 2016, section 518A.685, is amended to read:

2.2 **518A.685 CONSUMER REPORTING AGENCY; REPORTING ARREARS.**

2.3 (a) If a public authority determines that an obligor has not paid the current monthly
2.4 support obligation plus any required arrearage payment for three months, the public authority
2.5 must report this information to a consumer reporting agency.

2.6 (b) Before reporting that an obligor is in arrears for court-ordered child support, the
2.7 public authority must:

2.8 (1) provide written notice to the obligor that the public authority intends to report the
2.9 arrears to a consumer reporting agency; and

2.10 (2) mail the written notice to the obligor's last known mailing address at least 30 days
2.11 before the public authority reports the arrears to a consumer reporting agency.

2.12 (c) The obligor may, within 21 days of receipt of the notice, do the following to prevent
2.13 the public authority from reporting the arrears to a consumer reporting agency:

2.14 (1) pay the arrears in full; or

2.15 (2) request an administrative review. An administrative review is limited to issues of
2.16 mistaken identity, a pending legal action involving the arrears, or an incorrect arrears balance.

2.17 ~~(d) If the public authority has reported that an obligor is in arrears for court-ordered
2.18 child support and subsequently determines that the obligor has paid the court-ordered child
2.19 support arrears in full, or is paying the current monthly support obligation plus any required
2.20 arrearage payment, the public authority must report to the consumer reporting agency that
2.21 the obligor is currently paying child support as ordered by the court.~~

2.22 ~~(e)~~ (d) A public authority that reports arrearage information under this section must
2.23 make monthly reports to a consumer reporting agency. The monthly report must be consistent
2.24 with credit reporting industry standards for child support.

2.25 ~~(f)~~ (e) For purposes of this section, "consumer reporting agency" has the meaning given
2.26 in section 13C.001, subdivision 4, and United States Code, title 15, section 1681a(f).