

**Department of Human Services**  
**House Human Services Committee**  
**Representative Robin Weisz, Chairman**

February 27, 2019

Chairman Weisz and members of the Human Services Committee, I am Jim Fleming, Director of the Child Support Division of the Department of Human Services (Department). I am here to provide information on House Concurrent Resolution 3050 and an income shares model for child support.

The Department agrees with several statements in HCR 3050, particularly that parents have a mutual duty to support their children. However, there is an unfortunate misconception that an obligor model of child support guidelines only requires support from the obligor. In reality, an obligor's liability for child support is limited by the child support guidelines, with the remainder of a child's actual needs being borne by the obligee.

Income shares has been considered by the North Dakota Legislature many times, as recently as [2015 in this very committee \(HR 1308\)](#). Attached to this testimony are my remarks from 2015. Basing obligations on a proportionate share of both parents' income will lead to the same or higher obligation for the obligor in most cases. In the only category of cases where an obligor's child support would be reduced (when obligee's income is significantly higher than the obligor's income), this Committee proposed and adopted a deviation criteria in 2007 from the current guidelines.

The Department conducts thousands of child support calculations each year. This amount has significantly increased in the last year as the Department began reviewing obligations every 18 months instead of the federal-minimum period of 36 months. Applying an income shares model will require the Department to obtain and review income information from both parents rather than just the obligor. This will nearly double the work required to gather the needed information, even though the

ultimate obligation will not change or will frequently increase. In 2015, the estimated fiscal impact of changing to an income shares model was 10 new positions and at least \$150,000 in computer reprogramming expenses. With the shortening of the periodic review cycle, this estimate today would be closer to 15 new positions. Rolling back to a 36-month review cycle in order to reduce the number of new positions back to 10 would have a negative impact for many obligors whose income has decreased. In short, we encourage the Committee to consider carefully whether to endorse the study in HCR 3050 because of the inevitable fiscal impact of changing to an income shares model for no ultimate change in the amounts owed by most obligors.

HCR 3050 states there are concerns that child support obligations are too high and subsidize the living expenses of the obligee. In our experience, these concerns are rare, and frequently involve an obligor with a low or average obligation and a lack of familiarity with the total costs of raising a child. Attached is a [breakdown of child support obligations](#), which indicates that the average child support obligation in North Dakota is \$534.63 per month for an average of 1.41 children.

A person only needs to look at the parking lot of the nearest high school to confirm that the amount of support provided by parents for their children varies widely by income and personal choices. The current obligor model emulates this fact by computing the obligor's monthly obligation as a percentage of the obligor's income. For some parents, this may lead to a higher obligation than others, but it is based on a difference in income. The amounts in the current guidelines are based on United States Department of Agriculture data on the costs of raising a child in single-parent families, which also rises as the income of the parent goes higher.

This concludes my testimony, and I am happy to answer any questions you may have.